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pport for Move Colombia and ru Is Reported

y Ronald J. Ostrow
Los Angeles Times Service

SHINGTON — U.S.- assaults on cocaine processes are under consideration and Colombia, depending progress of a planned eight- nti-drug fight in Bolivia, ac- to government officials.

support of the initiatives, could begin as early as next would not be as extensive

low of narcotics through y is said to rise. Page 3.

involvement in Bolivia, six army Black Hawk heli- with 160 U.S. pilots and personnel have been sent, rces said Wednesday.

ad, agents of the U.S. Drug ement Administration ssist local troops and police ould be authorized to cross ther's borders in cocaine- g areas in the Amazon basin, cials said.

multi-country operation be financed largely by the Department's international ics-control program and be another step in the ad- ation's effort to turn the in the war on narcotics.

while, the drive in Bolivia, Operation Blast Furnace, duled to begin Friday de- tensive publicity there and

in the United States. Officials said they believed that many of the drug targets, including airstrips and barracks for cocaine processors, could not be protected or removed before the raids began.

"There's too much of a commitment to pull back now," said a source familiar with the operation.

Hundreds of people saw the arrival Monday at the international airport at Santa Cruz, a major city in eastern Bolivia, of a U.S. military C-5A Galaxy transport plane. They watched as it unloaded six helicopters accompanied by U.S. Army pilots and mechanics.

In a briefing for reporters on the legal authority for the Bolivian program, Justice Department officials said Wednesday that Attorney General Edwin Meese 3d and Defense Secretary Caspar W. Weinberger had signed an agreement July 10 determining that the Bolivian cocaine processing constituted an "emergency circumstance," justifying the use of U.S. personnel and gear.

They acted under a 1981 law providing exceptions to a prohibi-

See DRUGS, Page 2

S. Faces Harsh Critics er 'Arrests' Overseas

By Jim Schachter
os Angeles Times Service

ANGELES — Angel John h, scion of a banana- and growing family in the Cen- erican nation of Belize, flew temala last Nov. 10 to buy ons for the family planta-

as there, according to Mr. h's account, that an agent of S. Drug Enforcement Agen- ose officers are barred by law from participating in overseas, seized him and his aveling companions as they through customs at the mala City airport.

U.S. agents, accompanied med Guatemalan plain- smen, strip-searched the men, handcuffed them and them in an empty room at rport overnight, ignoring equests for food, water and nce to speak with an attor-

Zabeneh's account was un- ged by U.S. authorities.

next morning, Mr. Zabe- ssociates were placed on a back to Belize. Mr. Zabeneh wn to Houston, where mem- the drug agency arrested charges of smuggling mari- He was convicted Tuesday las federal court and faces a term of up to 35 years.

ough the United States has radition treaty with Belize, abeneh, 36, was not extradit-

ead, he joined a small but ly growing contingent of sus- captured overseas through formal cooperation of U.S. reign law enforcement offi- nd subjected to Third World practices that, critics say, preclude prosecutions if they happened in the United States.

"Agents of the U.S. government went down there and kidnapped a citizen," said John Ackerman, the Houston attorney who represents Mr. Zabeneh and plans to make his arrest the focus of an appeal. "If that's not 'ugly Americanism,' I don't know what is."

Targets of overseas arrests, ranging from swindlers to accused murderers but mainly suspects in drug cases, have also argued in U.S. courts during the last decade that they were threatened, tortured and rushed across borders by foreign police officers acting at the behest of U.S. authorities.

In all the 30 or more such cases argued before state and federal judges, U.S. courts have upheld the arrests, if sometimes hesitantly, because of a long-standing legal doctrine that strips American judges of the power to question suspects' treatment before they enter the United States.

But critics, including academic experts in criminal and international law as well as defense attorneys, say the unregulated alliances of foreign and U.S. law enforcement agencies cannot help but chip away at the rights of the accused while undermining respect for the formal processes of international law.

"If you are going to have a system of international law, you cannot start making exceptions for people to violate that system," said Cherif Bassiouni, a law professor at DePaul University in Chicago, who has written a widely used text on international extradition. "You can't say, 'This is a good kidnapping' and 'This is a bad kidnapping.'"

Governments have a long history

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he conference committee ax reform asked President gan to withhold comment he negotiations. Page 3.

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ouring the Stockholm archi- go. Page 7.

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merican Telephone & Tele- h Co.'s earnings declined 3.5 percent during the sec- quarter. Page 11.

merican Express Co. said its net profit had jumped 156 percent during the sec- quarter. Page 11.

TOMORROW

rofile of Ismail Merchant. Weekend.

LTV Files Petition On Debts

Seeks Protection Amid Setbacks in Steel and Energy

The Associated Press

DALLAS — LTV Corp., crippled by hard times in both the steel and energy industries, filed Thursday for reorganization under Chapter 11 of federal bankruptcy laws.

Raymond A. Hay, the chairman and chief executive officer, said he was confident that LTV, parent of the second-largest steel maker in the United States, would "emerge from Chapter 11 as a strong, viable company."

But one analyst predicted the reorganization could be "a very messy and protracted thing."

In a petition filed in U.S. Bankruptcy Court in New York, LTV asked for protection for the parent company and its 65 subsidiaries, including LTV Steel, LTV Aerospace and Defense, and LTV Energy Products. It listed assets totaling $2.06 billion and liabilities of $1.5 billion.

Under Chapter 11, a company continues to operate but is protected from creditor lawsuits while it works out a plan to pay its bills.

The price of LTV stock dropped sharply on the New York Stock Exchange after the announcement. At the close, LTV was down $2.25 to $2.12½ a share.

The filing took union leaders around the country by surprise. Steel union officials said they would do all they could to protect their members' jobs.

Mr. Hay blamed LTV's action on a sudden drop in second-quarter steel shipments; pricing levels that were lower than expected in the third quarter; continued steel imports; a sharp decline in the number of active oil drilling rigs and a reduced debt rating that hampered efforts at long-term financing.

On cash demands, the company said that as of Dec. 31, its debt for money borrowed totaled $2.6 billion. Long-term debt payments totaled $430 million in 1985 and were estimated at $1.6 billion from 1986 through 1988.

Mr. Hay said the company also faces about $375 million in costs for annual pension and post-retirement benefits, and that those payments would be dealt with under the reorganization plan.

R. Wayne Atwell, an analyst

See LTV, Page 2

Erik de Castro/Reuters

Two Carmelite nuns were greeted in Marawi, Philippines, after their release Thursday.

10 Nuns Are Released By Philippine Captors

Reuters

MARAWI, Philippines — Moslem rebels released 10 Roman Catholic nuns Thursday after holding them captive for six days in the southern Philippines.

A provincial army commander, Colonel Raul Aquino, said he was awaiting word from the kidnappers of Brian Lawrence, 30, a Presbyterian missionary from Madison, Wisconsin, who was abducted in Marawi on Saturday by another group.

[Hours after the nuns were freed, the military released a letter written by Mr. Lawrence warning against any armed attempt to rescue him, The Associated Press reported.

["If the military tries to get me, I will be killed, so let's not do that," he wrote. The missionary said the view from the straw hut where he was being held included "plenty of young rebels with arms and ammunition."

[Despite the letter, the southern military commander, Major General José Magno, moved a battalion of 400 men into the area backed by armored vehicles, a tank and artillery. "This is to bring pressure to bear on the kidnappers," he said.]

The Carmelite nuns, seized July 11 by about a dozen armed men, spoke warmly of their treatment when were returned to their convent. One said it had been "better than in a five-star hotel."

Their convent is in predominantly Moslem country, just outside the capital of Lanao del Sur province on Mindanao island, 500 miles (800 kilometers) southeast of Manila.

Local government and military officials said no ransom had been paid, but a former provincial governor, Princess Tarhata Lucman, an ally of President Corazon C. Aquino, said that the rebels had been given money, guns and radios.

The motives for the abductions of the nuns and of Mr. Lawrence were unclear, and it was uncertain whether the kidnappings were related.

But Colonel Aquino, who is no relation of the president, said that the rebels were "not after monetary considerations, but they want a dialogue with the chief of Protestant missionaries here about their demands and grievances."

Although both groups of kidnappers identified themselves with the militant Moslem Moro National Liberation Front, which is seeking greater autonomy from the central government, local politics seemed to be the main issue.

In both cases, leaders of the groups demanded reinstatement in jobs they said they had lost when

See FREE, Page 2

Reuters

Carol Ann Lawrence, wife of a kidnapped American missionary, on Thursday in Marawi, Philippines.

Thousands of Ugandans Trying to Start Life Over

By Blaine Harden
Washington Post Service

KAPEKA, Uganda — Livingston Sendindikawa is back in town. But, as the burly farmer readily admits, he does not cut the prosperous figure that he once did in this coffee-trading village.

All that he has left, after two years of running and hiding from government soldiers, is a shredded pair of trousers, a shirt, a machete and a farm overgrown with elephant grass.

Gone are his six acres (2.4 hectares) of coffee and banana trees. Chopped down by soldiers. Gone are his furniture, his beds, his linen, his radio, his dishes, his bicycle, his kettle, the iron roof over his house, his front door. Stolen by soldiers. Gone are his 40 cattle, 20 chickens and four goats. Shot, butchered and eaten by soldiers. Gone are his wife and one of his six children. Killed by soldiers, Mr. Sendindikawa says, while his family was on the run.

The rampaging soldiers have since fled. They were chased away last year by the rebel National Resistance Army, a fighting force that does not kill civilians, shoot their chickens or steal their cooking pots.

The government of Yoweri Museveni, the former National Resistance Army leader and now president of Uganda, has appealed to the U.S. government and other foreign donors to help farmers such as Livingston Sendindikawa. He is one of tens of thousands — a precise number is not known — of Ugandans who have walked back home in recent months and begun to put their farms and their lives back together.

Kapeka is in the heart of Uganda's Luwero Triangle, an extraordinarily fertile farming region north of Kampala, the capital. Before the violence began, about 1.5 million people lived in this 10,000-square-mile (25,890-square-kilometer) area that once had one of the highest standards of living in East Africa.

But during the 1980-85 rebel war against the regime of former President Milton Obote the Luwero Triangle became the center of government retribution.

"The violence was horrifying," said Gary Mansavage, an official for the U.S. Agency for International Development, which has taken the lead among foreign donors in financing reconstruction of the Luwero Triangle. Mr. Mansavage said that the outside world has been slow to grasp the scale of the killing.

"In South Africa in the past two years, about 1,900 people have been killed," he said. "In Luwero in four years, about 200,000 were killed."

As proof of what the Luwero Triangle endured, returning farmers in the past six months have collected the unburied skeletons of thousands of the murdered people and stacked them on the region's roadsides.

The Reverend Grace Kalyowa, an Anglican priest in the town of Nakaseke, conducts guided tours of an abandoned four-story hotel that until last summer was a center for torture and murder. Soldiers in Mr. Obote's government, most of them members of the northern Acholi tribe, rounded up members of the local Baganda tribe for interrogation in the hotel.

The level of brutality and fear was such, international aid officials said, that it was several months after Mr. Museveni's government takeover in January before former Luwero Triangle residents began to filter home.

The initial trickle of returnees has turned into a flood, according to the Kampala office of the United Nations Children's Fund, which is spending $1.8 million to drill wells for drinking water for returnees. UNICEF said there were about 2,800 people living in the Nakaseke district in March, but that by the end of May there were 45,000 people.

"If people are initially set up with good water, they can very quickly prosper," said Eamonn Marrett, an engineer supervising the drilling of the UNICEF wells.

The Agency for International Development has begun a five-year, $18.2-million loan program to help revive agribusinesses, such as coffee processing plants and tanneries, in the Luwero Triangle.

It also is seeking approval for a $6-million to $7-million loan program for small farmers. The program would loan returning peasant farmers $68 to $1,000 to buy the hoes, machetes, seeds and chickens that could get them started again.

"People are coming back and taking charge of their lives," said Emily McPhie, an Agency for International Development official. "Many of them will harvest a crop in four months or so. It is very reasonable that with a little capital they can become productive farmers in a short time."

In U.S. South, Heat and Death

People, Animals and Crops Suffer in Record Drought

By Dudley Clendinen
New York Times Service

ATLANTA — For a week and a half it has been so hot across the South that chickens die in their sheds, fish in their ponds, cattle in their fields, ancient oaks in their woods and people in their homes.

The drought, the worst here in recorded history, has left the earth so dry and hard that grave diggers must first soak the ground with increasingly precious water.

It has been a complex pattern: 10 days of record heat, following four months of drought, after a farm economic crisis now almost a decade old in the South, dating from the drought of 1977.

In terms of major crops, it has most hurt cotton, peanuts, soybeans, corn and pecans. But, with the harvest for most crops still months away, rainfall in the next week or so could still rescue the region from much of its misery.

From an airplane, the red clay and sandy loam of central Georgia stretch away in fields of hot pinks and mustards and shimmering greens, under a sky whose horizon vanishes in a baking haze.

The immediate effect of the heat has been staggering. The death Tuesday of an elderly Georgia man, whose body temperature had risen to 112 degrees Fahrenheit (44 degrees centigrade), brought the total of human deaths attributed to the heat to seven in Georgia and 12 throughout the region.

In the last five to eight years in Washington County, in northeast Georgia, in the years when there was enough rain for good crops, the prices would not bring a profit, said Chris Irvin, president of the George D. Warthen Bank.

Now, he went on, the value of farmland has declined, the majority of the farmers have a negative net worth, they have no crops to sell and no market for their land and equipment.

"Agriculture is dead in this county," the banker said. "One day it may come back but it will take 20 years."

In South Carolina, north of Georgia, the Department of Agriculture said that the heat and drought had devastated the state's major crops of oats, wheat and corn.

While cattle farming in South Carolina and Georgia seem the most severely affected, Tommy Irvin, the Georgia commissioner of agriculture, said his surveys indicated that the belt of heat and drought damage had spread through Alabama, North Carolina, eastern Tennessee and as far north as Virginia.

In Tennessee, low water in lakes is producing a bloom of algae and weeds that officials fear could taint water supplies. And in some states, the effects have reached underwater, killing fish in streams and hatcheries.

"Fish are swimming upstream to find cooler water," said Mike Jennings, chief of fisheries for the Georgia Department of Natural Resources. They are dying in small streams.

The drought began seriously four months ago, in the planting season. Now, across the South, it is time for the cotton to fruit up, or form bolls, time for the corn to be silking and tasseling, time for the peanut plants to be pegging, making the little nubs just under the soil that will grow to be peanuts good for the market. And it is getting to be time for the nuts on the pecan trees to harden up, to form their final shell, beyond which they can no longer grow.

It is a critical time for crops. "If we had a normal rainfall with this excessive heat, it would be a problem; but now, after the drought, it is awful," said Clayton McDuffie, spokesman for the Alabama Agricultural Statistical Service.

Reuters-United Press International

Harold McLamb, a farmer in South Carolina, in a field of dry and dying soybeans.

U.S. May Seek To Link Cuts in Arms and Tests

By Michael R. Gordon
New York Times Service

WASHINGTON — The Reagan administration is considering calling simultaneously for cuts in the number of underground nuclear tests by the United States and Soviet Union and in the number of strategic weapons on each side.

The idea of a link between these two reductions is contained in a draft of a letter from President Ronald Reagan to Mikhail S. Gorbachev, the Soviet leader, and has been supported by State Department officials.

The administration has never before suggested reducing the number of tests.

Administration officials cautioned that the administration was still debating the idea.

According to the proposal, the number of tests that each side could carry out would be tied to reductions in strategic arms. If both sides agreed to cut such weapons by 30 percent, they might reduce their underground tests by a similar percentage.

Some critics of the proposal within the government said there was no direct correlation between the number of weapons that each side had and the number of tests each needed to conduct. They said, for example, that some tests, such as those carried out to develop tactical nuclear weapons, were conducted for weapons that would not be covered by a new strategic arms treaty.

But supporters of the idea said that the United States could reduce its testing without hurting its security and that the proposal could slow Soviet weapons development. They also said that the Soviet proposal for a ban on testing had increased public interest in the issue and that the proposal might be a way of addressing those concerns.

The White House confirmed Wednesday that American and Soviet experts would discuss verification issues on nuclear testing. Officials said they expected the meeting to take place later this month in Geneva.

The White House said Eduard A. Shevardnadze, the Soviet foreign minister, had misrepresented the purpose of the Geneva arms meeting in remarks he made in London.

Mr. Shevardnadze said the meeting would focus on efforts to negotiate a total test ban. American officials said that there were no preconditions for the meeting and that it would deal with verification issues on testing.

Officials said the United States expected the Soviet Union to discuss verification measures for a total test ban. But they added that American officials intended to discuss ways to improve the verification of two treaties from the 1970s that limit the size of nuclear explosions; those treaties have been signed but not ratified.

The Reagan administration has said it does not favor ratifying the treaties until verification is improved.

U.S. Ratifies U.K. Pact on Extradition

Reuters

WASHINGTON — The Senate voted Thursday to ratify a treaty with Britain that will make it easier extradite suspected Irish guerrillas from the United States for trial.

The 87-10 vote ended a year of wrangling in which many Democrats objected to what they termed sweeping provisions that would erode the U.S. role as a haven for political dissidents.

The Senate then began consideration of a $20-million aid package for Northern Ireland in support of a British-Irish accord reached in November. The agreement gives the Irish Republic a say in the affairs of Northern Ireland for the first time in more than 60 years.

Treaty supporters had linked approval of the aid package to compromise on the extradition pact.

The new treaty will make it easier for suspected guerrillas of the Irish Republican Army, which seeks an end to British rule in Northern Ireland, to be extradited by removing the so-called "political exemption" for many crimes.

In the past, U.S. courts denied extradition by upholding a defendant's claim that his crime was politically motivated.

During debate Wednesday, the Senate rejected an amendment that would have prevented the treaty from applying retroactively.

President Ronald Reagan and Prime Minister Margaret Thatcher have called this and other such agreements a vital element in their fight against international terrorism.

Mr. Reagan offered particular support for the treaty after Britain allowed U.S. planes to fly from British soil to raid Libya in April.

China Arrests Reporter for N.Y. Times

New York Times Service

NEW YORK — John F. Burns, Beijing bureau chief for The New York Times, was taken into custody by Chinese security officials Thursday as he, his wife and two children were about to leave China for a vacation in Hong Kong.

Officials from the Beijing Public Security Bureau told diplomats at the U.S. Embassy in Beijing that Mr. Burns would be charged with spying, gathering intelligence information and entering an area forbidden to foreigners.

They said his detention involved his recent trip through the Chinese countryside to observe the effect of government reforms.

In New York, A.M. Rosenthal, the executive editor of The New York Times, said:

"Mr. Burns's trip was purely journalistic. There is no conceivable way that anyone could construe it as 'intelligence gathering' or 'espionage.'"

Mr. Rosenthal said that he and the Times's foreign editor, Warren Hoge, would go to China immediately.

The last time China arrested a Western journalist was on Feb. 8, 1984, when Tiziano Terzani, an Italian who was Beijing correspondent for the West German publication Der Spiegel, was accused of smuggling antiques and defacing a portrait of Mao. He was expelled the following month.

[In Washington, a State Department official told the International Herald Tribune: "We are taking this case very seriously. U.S. Embassy officials in Beijing have talked to Mr. Burns, to British Embassy officials in Beijing and to Chinese officials. The State Department has already registered its concern with officials with the Chinese Embassy in Washington."]

Damascus Says It Continues to Press For Release of Hostages in Lebanon

By Michael Dobbs
Washington Post Service

PARIS — Vice President Abdel Halim Khaddam of Syria said Thursday that negotiations for the release of American and French hostages in Lebanon were complicated by the fact that they were being held in a region outside Syrian control.

Reuters
Abdel Halim Khaddam

Mr. Khaddam, the highest-level Syrian leader to make an official visit to France in more than 10 years, said at a news conference that Damascus was continuing diplomatic efforts to free Western hostages kidnapped by fundamentalist groups. Two of nine French hostages were released last month.

The fate of the remaining hostages, who include three journalists and two diplomats, has become an important political issue here. Unlike the United States, which has ruled out bargaining with the kidnappers, the French government has made significant diplomatic concessions to win the release of its citizens.

France has moved to improve relations with both Damascus and Tehran over the past few months in the hope that the two governments would use their influence with the kidnappers.

Paris has also cracked down on the activities of Iranian exiles opposed to the regime of Ayatollah Ruhollah Khomeini and has indicated its readiness to repay a $1.5-billion Iranian loan frozen after the Islamic revolution.

At Thursday's press conference, Mr. Khaddam said that Syria was anxious to secure the release of all the Western hostages in Lebanon for humanitarian reasons and would be prepared to use force if it knew where they were being held.

"We are only sure that they are not where the Syrian forces are," he said, adding that they were being held in an area that was under the control of unspecified Lebanese militias.

There have been unconfirmed reports from Lebanon that the Western hostages have been moved to mostly Moslem West Beirut after being held in the Syrian-controlled Bekaa region.

The hostage crisis was the subject of lengthy discussions between Mr. Khaddam and both President François Mitterrand and Prime Minister Jacques Chirac, according to French officials.

A government spokesman later announced that Mr. Chirac would probably visit Damascus before the end of the year to inaugurate a French cultural center.

In an interview with the Paris daily Le Figaro, the French foreign minister, Jean-Paul Raimond, said he expected the remaining seven French hostages to be freed together. He said he was "almost sure" that the release of two members of a television team June 20 was a preliminary step before the release of the remaining hostages.

Mr. Khaddam said he had "no new information" when asked about attempts by King Hussein of Jordan to improve relations between Syria and Iraq, bitter enemies for more than a decade.

The issue is a delicate one, because a reconciliation between Damascus and Baghdad would inevitably be resented in Iran, which has counted on Syrian support in its war against Iraq.

A planned meeting last month between the Syrian and Iraqi foreign ministers was canceled without explanation. French officials have privately expressed concern that strains between Syria and Iran could complicate efforts to secure the release of the hostages.

■ Illness Is Reported

Mr. Khaddam said Thursday that Syria's second vice president, Rifaat al-Assad, absent from Damascus for six months, was receiving medical care in Paris, Reuters reported from Paris.

"He is having treatment and I can say no more than that," Mr. Khaddam said at a news conference when asked about the presence in Paris of Mr. Assad, younger brother of the Syrian president.

William Stevens/Reuters

France Pledges Aid During Visit by Mubarak

President Hosni Mubarak of Egypt, left, and President François Mitterrand of France after talks in Paris. An interpreter stands between them. Mr. Mubarak left Paris on Thursday for London and Bonn with assurances from French leaders of help for Egyptian efforts to solve economic problems. Mr. Mubarak seeks support from major European countries for new reserve credits and a rescheduling of Egypt's $36-billion foreign debt by the International Monetary Fund.

British Debate on Pretoria Sanctions Puts the Monarchy at Center Stage

By Karen DeYoung
Washington Post Service

LONDON — A political controversy over Prime Minister Margaret Thatcher's refusal to impose sanctions against South Africa is threatening to boil over into one of the most sacred areas of public life here, the role of Queen Elizabeth II as head of state and leader of the 49-nation Commonwealth.

The queen, having presided during her 34-year reign over the growth of the Commonwealth from a collection of dependent former colonies into a community of staunchly independent nations, now faces the prospect of reigning over what some say may be its demise.

Newspapers have been awash with rumors that Elizabeth is displeased with the controversy that has pitted Mrs. Thatcher against the vast majority of Britain's former dependencies who are clamoring for sanctions.

According to widespread press reports, attributed to unnamed senior cabinet members who purportedly are concerned over Mrs. Thatcher's highly visible intransigence, the queen has communicated her displeasure to the prime minister during the regular Tuesday evening meetings when the two women sit alone to discuss the week's events.

Buckingham Palace, normally eager to disclaim any political interference on the part of the monarch, has avoided all comment on the reports.

But Elizabeth is known to take her Commonwealth role seriously. And while many Britons profess to consider the Commonwealth little more than a useless vestige of empire that is more trouble than it is worth, they often react strongly on the queen's behalf when they think she is troubled.

Senior politicians in Mrs. Thatcher's Conservative Party are known to be concerned that opposing sides in the sanctions debate will seek to invoke the queen's name, giving rise to public unease and domestic political problems.

In an apparent attempt to signal some moderation of the government's heretofore implacable opposition to comprehensive sanctions, the foreign secretary, Sir Geoffrey Howe, told the House of Commons on Wednesday that if his upcoming mission to South Africa "does not procure tangible and substantial progress, I would regard agreement on some further measures" against Pretoria "as likely to be necessary."

Sir Geoffrey, who went to Washington on Thursday for talks with the Reagan administration on South Africa, declined to specify what measures Britain, and Mrs. Thatcher, might be willing to consider.

The controversy already has wreaked havoc on the Commonwealth Games, which the queen is to open next week in Edinburgh.

[Three more countries were reported Thursday to have joined a boycott of the games to protest Mrs. Thatcher's stand, The Associated Press reported.

[The Bahamas, Sierra Leone and Papua New Guinea were said to have joined Nigeria, Ghana, Uganda, Tanzania, Kenya and Malaysia in boycotting the games.]

Several heads of Commonwealth governments, most prominently President Kenneth Kaunda of Zambia, have threatened to withdraw from the community if Britain does not bend to the will of the majority of its former dependents.

The role of the monarchy in Britain's political life has been a sensitive issue throughout modern history. Although she serves as head of state, Elizabeth is not head of the government.

In substantive terms, the monarch has only one vestigial power — to decide which party leader should be called upon to head a new government in the event there is no clear winner in an election.

■ Reagan Presses Envoy Bid

The Reagan administration is pressing ahead urgently with plans to name Robert J. Brown, a black businessman, as the next ambassador to South Africa, The New York Times reported from Washington.

"They are trying to compress in two days what usually takes months," an administration official said Wednesday, "because of the desire to have the nomination announced in a very short period of time." One plan is for President Ronald Reagan to announce Mr. Brown's nomination during a policy speech on South Africa next week.

A group of black leaders led by the Reverend Jesse L. Jackson has expressed concern that given the Reagan administration's refusal to impose severe economic sanctions against South Africa, Mr. Brown would be undertaking a "suicide mission" and urged him not to take the assignment.

■ Visits to Prisoners Sought

Lawyers said Thursday that they would ask to visit at least 700 jailed activists after a ruling Wednesday by the provincial Supreme Court in Durban, The Associated Press reported from Johannesburg.

The court upheld the legality of the state of emergency decree imposed June 12, but it also ruled that people detained without charge under the emergency decree must be allowed to see lawyers.

■ AFL-CIO Chief in Appeal

Lane Kirkland, president of the AFL-CIO, the largest American trade federation left for Johannesburg on Thursday with a delegation of international union leaders to show solidarity with black workers in South Africa, Reuters reported from Washington.

LTV: *Seeks Protection Amid Setbacks in Steel, Energy*

(Continued from Page 1)

with Goldman Sachs in New York, predicted the company would seek price concessions from its suppliers and scale back its operations, though he declined to suggest what plants or divisions of the company would be at greatest risk.

"They will come out as a pretty tough competitor," he said. "They may come back 70 percent of the size they went into this. I have no doubt they'll come back."

He said LTV would protect its "crown jewel," the profitable LTV Aerospace and Defense unit, which accounts for about $2 billion of the corporation's estimated $7 billion in annual sales. Other analysts noted earlier speculation that the company may have been shopping for a buyer for its aerospace business.

"This thing could be a very messy and protracted thing," said Dudley Heer, an analyst with Duff & Phelps in Chicago. He said LTV's future depended on what new concessions could be obtained from labor and what facilities could be sold.

Lynn Williams, president of the United Steelworkers of America, said the union would take court action to protect 30,000 employees. He said the union covers employees who are working or have been laid off at 24 LTV sites, plus 61,000 retired workers who receive pension benefits.

LTV has reported losses of $1.44 billion from 1982 through 1985.

In its biggest annual deficit ever, LTV reported losing $723.9 million in 1985, more than half of which resulted from a charge of $380 million related to the idling of primary operations of its steel works in Aliquippa, Pennsylvania.

LTV's operations employed 57,000 people. It acquired Republic Steel Corp. in 1984 in one of the industry's largest steel mergers.

FREE:
10 Nuns Released

(Continued from Page 1)

President Ferdinand E. Marcos was overthrown in February and succeeded by Mrs. Aquino.

■ Marcos Said to Relent

A Swiss lawyer representing the Philippine government said Thursday that Mr. Marcos was willing to repay some money held in Swiss bank accounts to the government, Reuters reported from Zurich.

Moritz Leuenberger, who acts on behalf of the government of President Aquino in its bid to recover the Marcos assets, said he had reached a provisional agreement with the former president's lawyers on the return of $213 million held in Zurich.

"The agreement is complete, although there may be some technical problems, and the transfer may take some time," he said.

Mr. Leuenberger stressed that this was a first step in the new Philippine government's efforts to get back Marcos assets in Switzerland that have been estimated by some Aquino officials at $1.5 billion.

The figure of $213 million represented the total amount that the new government had firmly established as being Mr. Marcos's assets held here.

Lord Boothby, 86, Aide To Churchill, Is Dead

United Press International

LONDON — Lord Boothby, 86, a British parliamentarian and broadcaster and a former aide to Sir Winston Churchill, died Wednesday after a heart attack on Tuesday, his family said.

Robert John Graham Boothby was one of the more colorful political figures of his time. In Parliament he was often a rebel, defying his Conservative Party on several key issues, including the Suez crisis of 1956. He became a life peer in 1958.

He became the parliamentary private secretary to Churchill at the age of 26 when Churchill was chancellor of the exchequer. After World War II, he became a pioneer in the campaign for European unity and cooperation.

Lord Boothby established a wider fame outside Parliament as a raconteur and broadcaster.

■ *Other Deaths*

Maurice H. Blinken, 86, a New York lawyer who founded the American Palestine Institute after World War II, Sunday in Palm Beach, Florida.

Billy Haughton, 62, a harness-racing driver and trainer, Tuesday in Westchester, New York, of injuries sustained in a race accident on July 5.

The Right Reverend Robert C. Rusack, 60, bishop of the Protestant Episcopal Diocese of Los Angeles, of a heart attack Wednesday in Pacific Palisades, California.

Baron Richard Crawshaw, 68, an exercise enthusiast who in 1972 established a nonstop walking record of 255.8 miles (411.7 kilometers). Wednesday in London.

Pentagon Approves Sale Of Trucks to Riyadh

The Associated Press

WASHINGTON — The Defense Department has notified Congress that it has approved a $202-million sale of trucks and other vehicles to Saudi Arabia.

"Saudi Arabia needs these vehicles to fill current shortages in their land forces and to satisfy the requirements of their five-year plan," the Pentagon said in a statement Wednesday.

Hershey to Make Bigger Bars

The Associated Press

HARRISBURG, Pennsylvania — Hershey Chocolate Co. said Wednesday the weight of most standard Hershey candy bars will increase 10 percent to 14 percent beginning next month, with no price increase.

ARREST: *Illicit Overseas Captures of Suspects by U.S. Agencies Increasing*

(Continued from Page 1)

of bending the rules of international relations to get their hands on criminals who might otherwise escape prosecution.

In the United States, administration policy-makers have recently considered abductions as a means of bringing suspected international terrorists to justice. Even academic experts who are otherwise dubious about international kidnappings acknowledge that they may be justified in dealing with state-sponsored terrorism, since a government harboring suspects is unlikely to turn them over to the United States for prosecution.

In the realm of drug trafficking, the United States has been negotiating new extradition treaties and rewriting old ones in the past five years to lessen the instances when American authorities would be tempted to rely on informal, ad hoc means to arrest criminal suspects.

Those efforts, along with a new emphasis on international cooperation in the drug war, produced a doubling in formal extraditions — from 227 to 454 — between 1980 and 1984, according to the Justice Department's Office of International Affairs.

But the reality is that extradition is a long and risky process that leaves to another nation's legal system the decision on whether to ship a suspect to the United States. So authorities jump at opportunities to slice through international red tape.

"If there is a faster method of getting a fugitive back, we certainly wouldn't discourage doing it, but we don't encourage anything that is illegal," said Alvin Lodish, a Justice Department attorney in the Office of International Affairs.

Along the U.S.-Mexican border, law enforcement agencies have engaged for decades in a secretive, informal commerce in criminal suspects wanted by authorities on one side or the other.

The trade is especially brisk in San Diego, where Mexican police hand over at least two or three suspects each month to U.S. authorities, according to Ruben Landa, a special agent for the California Department of Justice, who has investigated border crime for 30 years.

But many suspects complain that in the process, called "irregular rendition" or "informal deportation," they are subjected to abuse by the Mexican police. These charges are rarely investigated, but independent organizations such as Amnesty International have accused Mexican authorities of using torture as part of their standard investigative repertoire.

The hands-off attitude of U.S. courts can be traced back to an 1886 U.S. Supreme Court decision saying that regardless of how defendants have reached American shores, their due-process rights are preserved if they are properly indicted and tried in the United States.

The 2d U.S. Circuit Court of Appeals did carve out a narrow exception to the rule in the mid-1970s, when it held that charges against defendants can be dismissed if they present convincing evidence of reprehensible conduct, such as torture, by American agents in the course of an arrest.

Experts in international law say, however, that no charges have been challenged successfully on such grounds.

Moreover, foreign governments almost never protest the snatching of their citizens by U.S. agents. In most of the documented cases of irregular rendition, in fact, assistance from the nation acting as temporary host for a suspect is critical to a successful arrest.

Analysts attribute the silence to a combination of common interest and intimidation. Most of the suspects sought overseas by the United States are certified, big-time criminals that the governments of Mexico, Belize or another host countries have little interest in protecting from prosecution.

DRUGS: *U.S. Ponders Peruvian and Colombian Raids*

(Continued from Page 1)

tion — under the Reconstruction era's Posse Comitatus Act — on the use of the military for civilian law enforcement.

"This is not the first time we have used manned U.S. helicopters to assist" in an anti-drug effort by another country, said John Russell, a Justice Department spokesman.

He cited Operation Bahamas and Turks, in which U.S. helicopters, flown by U.S. pilots, have been used in transporting Bahamian troops since May 1983.

Mr. Russell said the idea for aiding Bolivia stemmed from the annual meeting last April in Buenos Aires of the International Drug Enforcement Conference. At that meeting, Bolivia, Peru and Belize requested U.S. help to counter cocaine production, he said.

■ Issue of Political Control

Bradley Graham of The Washington Post reported from La Paz, Bolivia:

President Victor Paz Estenssoro's decision to summon the U.S. military in a joint anti-drug operation reflects a struggle against a powerful group of traffickers who threaten to gain political control of the government, according to government officials.

While there appear to be few concrete signs that drug lords are moving to overthrow the government, they are known to have financed the campaigns of certain candidates for local and national office and have recently acquired controlling interest in legitimate businesses, including several banks.

The fears of a loss of government control come against the backdrop of Bolivia's worst economic crisis in 50 years.

"If we do not address this problem decisively — to eliminate it — the day could come when the economic power they wield could result in their governing the country, including via democratic means," Mr. Paz Estenssoro said in an interview this month in Newsweek magazine.

"Election campaigns cost more and more every day," he said, "and the economic influence of the cocaine mafia could lead to unexpected results in terms of who runs the country."

Bolivian authorities estimate that the cocaine economy brings in about $600 million a year, which exceeds Bolivia's projected 1987 federal budget of $500 million.

WORLD BRIEFS

NASA Says Crew Had No Warnin

WASHINGTON (AP) — NASA said Thursday that pre analyses of tape recordings from the space shuttle Challenger, from the ocean floor, indicated that the crew had no inkling of imp danger before the ship blew up.

The announcement was the first word from NASA that th probably died instantly. The space agency had been trying for mo decode onboard tapes, and finally succeeded, a NASA announ said. A damage claim filed by the widow of Challenger's pilot, Mi Smith, asks $15.1 million for his death and alleges that Mr. Smi thrown about in the spacecraft and in the few seconds preced death, knew of his impending death."

NASA said "preliminary analysis of the tape shows the cr unaware of the events associated with the tragedy and the n communications were being maintained as would be expected th normal ascent," NASA said. The tapes were recovered from the A about a month and a half after the accident and were severely d by seawater and chemical byproducts.

"Engineers at IBM developed a process for neutralizing the chemicals and restoring the tape to the point it can be analyzed," said.

Poland Approves a Limited Am

WARSAW (AP) — The Polish Parliament on Thursday limited and conditional amnesty that will free thousands of criminals but stop short of releasing prominent political prisone under "especially justified" circumstances.

Government sources said an estimated 20,000 people, mainly c criminals, would be freed under the law, which takes effect We

But the amnesty will be conditional, in some cases, on people to give up their illegal opposition activities and will not apply to of the penal code under which many prominent Solidarity activ charged.

Colombian 'Death Squad' Toll G

LONDON (UPI) — Soldiers, policemen and hired killers to have seized and killed more than 600 civilians in Colom first six months of 1986, according to Amnesty International

The London-based human rights organization said in a re pared for release Friday that a campaign of abductions, tor political killings had worsened. Students, teachers, lawyers, poli human rights activists, union leaders and Indian community lead among the victims, Amnesty said.

" 'Death squads,' some in uniform and some in civilian clothe in army vehicles and in unmarked cars without license plates, pa through army roadblocks, park in police compounds and militar lations and have been seen handing over prisoners at military ba barracks," the rights organization said.

El Salvador Expels Catholic Work

SAN SALVADOR (Reuters) — A Roman Catholic group fro fornia was expelled from El Salvador on Thursday after being ar war zone, a U.S. Embassy official said.

Salvadoran Army officials said the group was arrested for be war zone without authorization and was expelled from the cou endangering civilian lives. The group that included 19 Americ Canadians and two Australians was driven by bus into Guatema embassy official said.

The group arrived from California more than a week ago a helping 600 fugitives from El Salvador to resettle in homes th abandoned in Aguacayo, 30 miles (50 kilometers) north of San Sa

Turkey Says Ecevit Broke Politics

ANKARA (AP) — Bulent Ecevit, former prime minister of Turkey, went on trial Thursday on charges of having violated a law barring him from political activity.

Ihsan Bayer, the prosecutor, said in the indictment that Mr. Ecevit had participated in active politics by speaking at a convention of the Democratic Left Party. The party is headed by his wife, Rahsan.

Mr. Ecevit and 100 other former politicians cannot join, lead or be affiliated with political parties until 1992. The trial was adjourned until Sept. 23 after the prosecutor said he wanted to read transcripts of assembly sessions on the political party law.

Bulent Ecevit

Tamils Accuse Government of Killin

COLOMBO, Sri Lanka (AP) — Tamil leaders asserted Thursday Sri Lankan security forces had killed 155 Tamils in massacres in no villages.

There was no official comment on the assertion, which was m President Junius R. Jayewardene continued talks with Tamil lead his latest peace plan. It calls for giving limited autonomy to the cou nine provinces.

Militant Tamils are fighting for an independent homeland i island's north and east, where most of the country's Tamil minority In three years of fighting, more than 4,000 people have been killed.

Thailand, U.S. Discuss Arms Stockp

BANGKOK (Reuters) — Bangkok and Washington are negoti details of a joint arms stockpile to be set up in Thailand, the American war reserve in a country without U.S. bases, the two confirmed Thursday.

The talks, the first negotiations since the stockpile was announce April, began Monday and are due to last a week, the U.S. Embassy Thai and U.S. officials had earlier refused to confirm that the talks w take place and would give no more details about them Thursday.

The proposed stockpile, to help Thailand defend itself in a crisis, aroused mild criticism in Bangkok and strong denunciations from Ha Thailand wants the stockpile to deter possible attacks from Vietnam.

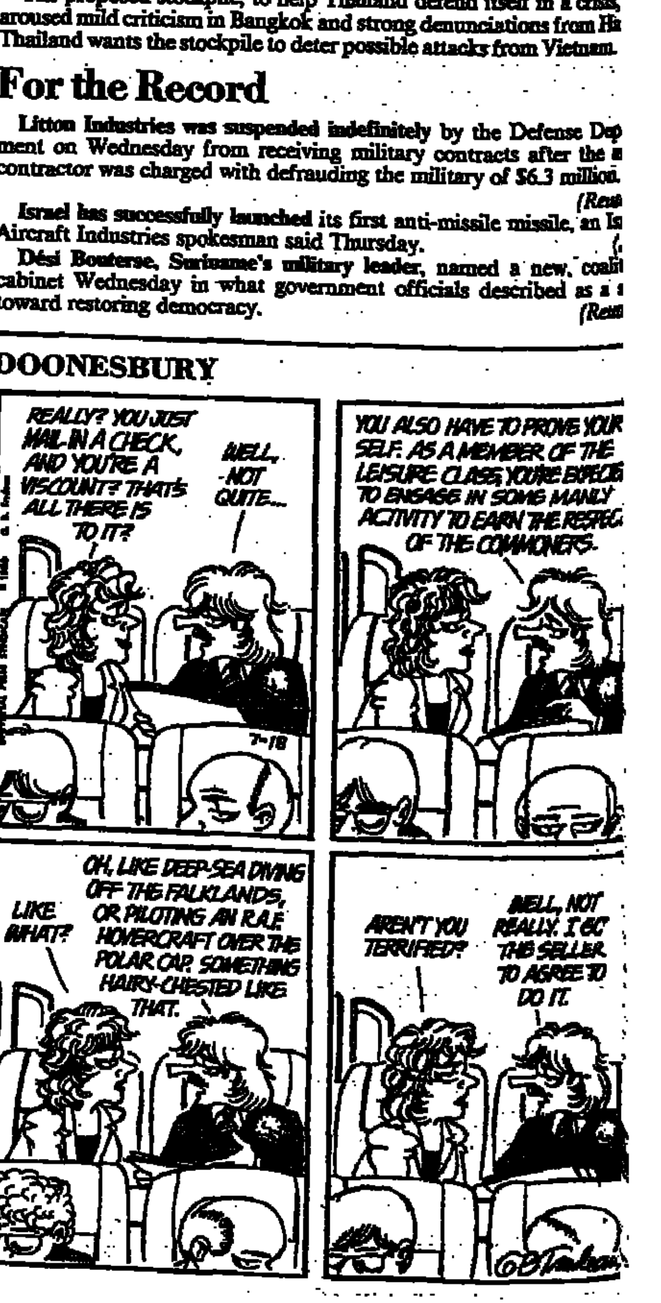
For the Record

Litton Industries was suspended indefinitely by the Defense Dep ment on Wednesday from receiving military contracts after the contractor was charged with defrauding the military of $6.3 million. (Reu

Israel has successfully launched its first anti-missile missile, an Is Aircraft Industries spokesman said Thursday. (

Dési Bouterse, Suriname's military leader, named a new coali cabinet Wednesday in what government officials described as a toward restoring democracy. (Reu

DOONESBURY


REALLY? YOU JUST MAIL IN A CHECK, AND YOU'RE A VISCOUNT? THAT'S ALL THERE IS TO IT?
WELL, NOT QUITE...
7-18
YOU ALSO HAVE TO PROVE YOUR SELF. AS A MEMBER OF THE LEISURE CLASS, YOU'RE EXPEC TO ENGAGE IN SOME MANLY ACTIVITY TO EARN THE RESPEC OF THE COMMONERS.
LIKE WHAT?
OH, LIKE DEEP-SEA DIVING OFF THE FALKLANDS, OR PILOTING AN R.A.F. HOVERCRAFT OVER THE POLAR CAP. SOMETHING HAIRY-CHESTED LIKE THAT.
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مكتبة الأصل

Panel Seeks Reagan's Silence As It Considers Tax Reform

By Anne Swardson
Washington Post Service

WASHINGTON — The House-enate conference committee be-an work Thursday rewriting the S. tax laws. There were promises f tax relief for middle-income tax-yers and a request to President onald Reagan to withhold com-ent on the daily negotiations.

Representative Dan Rostenkow-i, Democrat of Illinois who is airman of the House Ways and eans Committee, and Senator b Packwood, Republican of Or-on who heads the Senate Finance Committee, met with Mr. Reagan before the conference panel's first session and told the president their negotiations would be smoother without presidential intervention.

"We hope the president will not be commenting on the bill day by day, section by section, as we go along, and I think he will refrain from that," Mr. Packwood said after the meeting.

Mr. Packwood began the conference by moving that Mr. Rostenkowski be appointed chairman, a suggestion that met with no objection from the 22 House and Senate conferees.

"In their present form, neither bill could pass the other house," Mr. Rostenkowski said. "Yet both also carry the luster of pride that we did right by working men and woman and the economy. Each on its own is more fair and more rational than present law."

He announced that the panel might soon begin weekend sessions in order to finish its work by the congressional recess that begins Aug. 15.

The importance of the conference was shown by the fact that both Mr. Rostenkowski and Mr. Packwood chose to break tradition and select conferees by loyalty and ideology as well as seniority. Mr. Rostenkowski bypassed nine committee Democrats to select Representative Donald J. Pease, Democrat of Ohio, for example.

Despite the importance of the conferees and the conference, many of the provisions in the House and Senate bills are identical and thus virtually guaranteed of becoming law.

The deduction for two-earner families is gone, as is income averaging. Federal workers will start paying taxes on a portion of their pension immediately on retirement. Low-income Americans will see vast reductions in their taxes, and about six million of them will no longer have to pay federal income taxes.

Only 80 percent of business meals and entertainment costs will be deductible. Companies will no longer have the investment tax credit to subsidize up to 10 percent of the cost of investment in equipment and machinery. Tax credits for research and for rehabilitation of historic buildings will remain, in modified form.

The general framework of the rest of the bill has been endorsed in principle by Mr. Rostenkowski and Mr. Packwood. They both like the low rates of the Senate bill, which cuts the current top tax rate of 50 percent almost in half, to 27 percent. The top rate in the House bill is 38 percent.

Both also have expressed the hope that the final plan will cut the taxes of middle income taxpayers by the 9 or 10 percent of the House measure rather than the 5 to 8 percent in the Senate version.

Still unsettled in this bargain, however, is the tough question of where the tax revenue will be raised so that the tax package can provide low rates and big individual tax cuts without increasing the federal deficit.

"When you get down to the nitty-gritty of how to pay for it, it will not be easy at all," said Senator Lloyd Bentsen, Democrat of Texas. "Obviously, some of it will come from business."

Already, the Senate bill would raise corporate taxes by $100 billion over five years, granting a tax cut of equal size to individual taxpayers.

The House bill officially would raise business taxes by $140 billion over five years, although revised estimates could bring that increase to as high as $160 billion.

■ Avoidance of Tax Cited

A citizens group reported Thursday that 130 of the 250 leading corporations in the United States paid no federal taxes or got tax refunds at least once from 1981 to 1985, United Press International reported from Washington.

Citizens for Tax Justice, a private research and lobbying group, said in a report that the 130 companies earned $72.9 billion in pre-tax domestic profits in the years they did not pay federal income taxes.

"But instead of paying $33.5 billion in income taxes, as the 46 percent statutory corporate rate purports to require, they received $6.1 billion in tax rebates — for a negative tax rate of minus 8.3 percent," the report said.

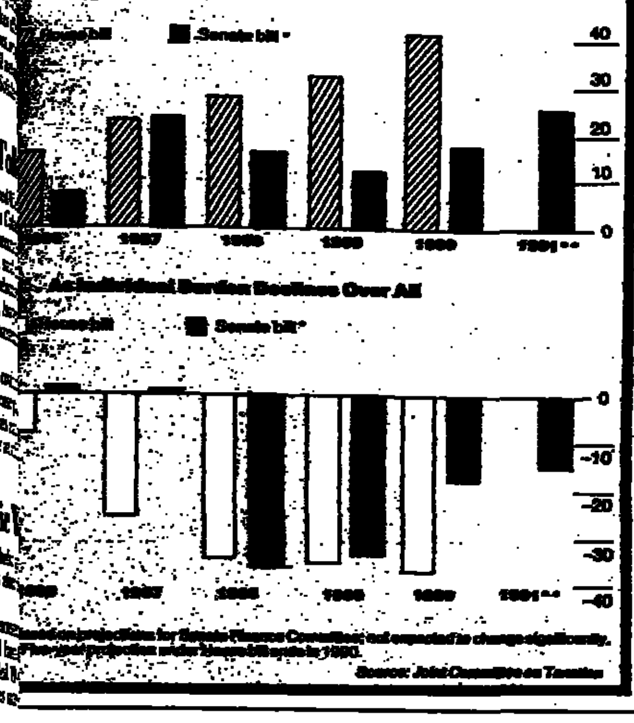
Citizens for Tax Justice said the corporations avoided the taxes by either utilizing tax breaks "tailored specifically for them," or through accelerated depreciation and the investment tax credit.

[In a related matter, The Washington Post reported that the General Accounting Office was auditing a nationwide sample of U.S. companies to determine whether there was widespread underreporting of business-investment income on federal tax returns.

[A pilot GAO audit conducted earlier this year showed that 54 percent of the companies in the study failed to report all their investment income.]

Who Pays and When Under the Two Tax Plans

ation of annual changes in the individual and corporate tax burdens House and Senate tax bills. For 1986-1990 under the House plan, would pay $138.9 billion more than under current law, and would pay $139.8 billion less. For 1986-1991 under the Senate plan, would pay $100.4 billion more, and individuals, $100.0 billion less.



Source: Joint Committee on Taxation

Reuters-United Press International

Representative Dan Rostenkowski, left, and Senator Bob Packwood sported antique army helmets as a conference committee began work on a compromise tax-reform bill.

Nicaraguan Legislator, Foe of Sandinists, Flees To Venezuelan Embassy

By Julia Preston
Washington Post Service

MANAGUA — A conservative opposition member of Nicaragua's legislature has sought asylum in the Venezuelan Embassy here, Venezuelan diplomats said.

Felix Pedro Espinosa, a deputy from the Non-Official Democratic Conservative Party, scaled the embassy's chain-link fence at dawn Tuesday and later was taken inside by staff members, a Venezuelan said by telephone.

Mr. Espinosa, whose splintered party holds five National Assembly seats, was the first opposition deputy to seek asylum since the legislature began work in January 1985.

The legislature, which is dominated by the governing Sandinist Front, voted Tuesday to strip Mr. Espinosa of his immunity. It accused him of having ordered the burning of his own house in an effort to embarrass the government. He denied the assertion.

Since the U.S. House of Representatives approved $100 million in aid to anti-Sandinist rebels on June 25, Sandinist leaders have gone on a full war footing, calling this "the time of definition."

[The aid is expected to be approved by the Senate soon. On Wednesday, senators opposed to sending military aid to the Nicaraguan rebels said that they would stage a filibuster against the legislation when it reached the floor, The New York Times reported.

[When the Senate considered aid for the rebels earlier this year, 53 senators voted in favor of support. Sixty votes are needed to break a filibuster, so the opponents said they had a "reasonable shot" at stopping or altering the aid request, according to Senator Alan Cranston, a Democrat of California.]

In the face of the pending aid, the Sandinists insist that Nicaraguan organizations must close ranks around their revolutionary program, warning that groups that do not will be regarded with suspicion as being in league with the rebels.

A range of Nicaraguan opposition leaders said that the U.S. Congress had given the Sandinists an excuse to limit the opposition's room for maneuver, even more than before.

"We are in a spiral of polarization, and the aid tends to encourage further restrictions on our political space," said Erick Ramirez, head of the Social Christian Party, the largest in the opposition.

The leaders said that the main strength of their position now is simply to remain in Nicaragua, and even that is becoming difficult.

Last week, six opposition parties called a news conference to say that aid to the rebels would "presage more violence and suffering for the Nicaraguan people."

They called on the government to form a peace commission to negotiate a cease-fire.

Asked what chance the party leaders saw that the government would heed their proposal, Mario Rappaccioli, head of one Conservative Party faction, responded, "It would be a miracle."

Of 13 political parties in Nicaragua, six oppose the leftist government from conservative viewpoints. Four are allied with labor and business groups in the Nicaraguan Democratic Coordinating Group, which does not participate in the government or the legislature. Four Marxist-inspired parties criticize the government from the left.

The Sandinist Front confirmed its dominance as a majority party in national elections in November 1984. Although intensely controversial, the elections were described by most observers as free of fraud.

In other developments:

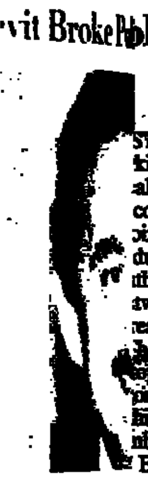
- The Nicaraguan government rejected on Tuesday an appeal from Roman Catholic bishops that Bishop Pablo Antônio Vega Mantilla be allowed to return from abroad.

A letter in the Sandinist newspaper, Barricada, signed by the minister of the presidency, René Núñez Téllez, said the bishop had "left us no option" because of his "personal attitudes and illegal acts." He was barred July 4 while in Honduras. *(UPI)*

- Nicaragua has called for talks with the United States to discuss damages Washington should pay if the United States were to comply with a ruling June 27 by the International Court of Justice, Deputy Foreign Minister Victor Hugo Tinoco said Wednesday. The United States refused to participate in the case and the court has no authority to enforce the ruling. *(UPI)*

rugs Flow Via Turkey Is Said to Rise

olitical Upheavals in Asia, Middle East Aid Production



By Henry Kamm
New York Times Service

STANBUL — American and kish specialists report that po- al upheavals in opium-produc- countries and a large increase in oin addiction in Europe have duced a flow of narcotics from th Asia and the Middle East tward through Turkey that is easingly difficult to police.

he problem is complicated for opean enforcement agencies by parable rise in the flow of hish. In addition, the growing nber of heroin addicts in West- Europe has also created prob- s for enforcement agencies de- ite considerable increases in their gets and manpower.

Addicts in Western Europe are almost as numerous as in the United States, where 500,000 people are estimated to be hard-core heroin users.

"A few years ago it was fairly easy to draw up a flow chart," a U.S. specialist said. "The market was in the United States. We knew where it was grown and refined and the routes it took. Today a chart would look like a plate of spaghetti."

According to U.S. and Turkish drug agents, these are among the political factors that have significantly complicated their work:

- The strife in Lebanon, and the entry of Syrians there as major participants in production of heroin and hashish and in international trafficking.
- The war in Afghanistan and the large-scale production and transport westward of opium and hashish.
- A huge flow of opium from Northwest Frontier province in Pakistan, where the traditionally uncontrollable tribal population has been augmented by hundreds of thousands of Afghan refugees.
- An unwillingness or inability by Iran to halt or restrain a chain of opium and hashish traffic westward. Because of the inability of American narcotics agents to gather information on the situation in Iran, American specialists cannot prove their suspicion that important quantities of Iranian-grown opium also enter the Western market.

U.S. agents consider Pakistan, Afghanistan and Iran to be major producers of heroin, the source of much of the heroin reaching the United States, although the market share varies from season to season. Most of the heroin from the region does not go to the United States, and American officials say the biggest single source of heroin today is Mexico.

Turkey, no longer a producer, has become the principal country from which hashish, heroin and unprocessed opium or morphine or heroin base are dispersed to dealers and finally to Western users.

Most of the opium or intermediary products reach Turkey, often on horseback or muleback, across its 300-mile (480-kilometer) mountainous border with Iran. It is processed in heroin laboratories in Turkey or other countries.

The more important conversion centers have long been in Lebanon and Italy, particularly Sicily. In recent years, narcotics agents say, new laboratories have sprung up in Aleppo in Syria. Middle Eastern refiners receive their supplies of morphine base or heroin base largely by overland smuggling from Turkey.

A new element of concern to agents is evidence that in the last two years the Bekaa region of Lebanon, which is largely under Syrian control, has been producing high-quality opium.

Kennedy Airport Moves To Ease In-Bound Delays

New York Times Service

NEW YORK — The Immigration and Naturalization Service has greed to add extra inspectors at Kennedy International Airport, here arriving foreigners have been subject to processing delays of as ng as four hours.

The federal agency, which has been criticized by some New York ity representatives and international airlines, also said it would tudy other measures, including a "bypass" immigration line for usiness travelers, diplomats and other regular visitors. The agency ad previously rejected the proposal.

Despite more inspectors, immigration officials said delays were kely to continue into the busy summer travel season.

Representative Charles E. Schumer, the New York Democrat who elped reach the agreement, said the additional inspectors "should liminate the three- to four-hour waits and cut the average processing ime from 75 minutes to 50 to 60 minutes."

Immigration officials at Kennedy airport said budget cuts and ttrition had reduced the number of inspectors to 149, from 160 last ear. Meanwhile, foreign travel to the United States is up. The mmigration controls are only for foreigners; Americans are checked y employees of the U.S. Customs Service.

He said the immigration agency was also seeking to replace by ugust its cumbersome "lookout" listings of security suspects with a omputer system already in place at Newark International Airport.

Mr. Schumer said he planned to introduce legislation that would llow the immigration service to levy a $2.50 charge on some arriving oreigners to raise $73 million a year to defray processing costs.

Reuters-UPI

Lawrence B. Mulloy

Ex-NASA Rocket Chief Is to Retire

By Kathy Sawyer
Washington Post Service

WASHINGTON — NASA has announced the abrupt retirement of Lawrence B. Mulloy, the proud, unrepentant career manager who took the brunt of the criticism in the Rogers Commission report on the Challenger accident.

Mr. Mulloy, 52, plans to retire Friday after more than 30 years of government service, the space agency said Wednesday. Officials said Mr. Mulloy has given no reason for his decision and he took sick leave Wednesday, declining to talk to reporters.

The veteran of the National Aeronautics and Space Administration was in charge of the faulty solid-fuel rocket boosters that destroyed Challenger on Jan. 28. He was among those who argued the night before the launch that cold weather was not a significant factor and pushed for a "go" over the objection of engineers.

The report of the presidential commission headed by William P. Rogers repeatedly faulted Mr. Mulloy's judgment and his failure to correct the boosters' known design and performance problems.

It suggested that commissioners believed that Mr. Mulloy lied in his testimony to them. Mr. Mulloy strenuously denied the charge.

Mr. Mulloy's decision to retire came after James C. Fletcher, the NASA administrator, had decided to move him from Marshall Space Flight Center in Huntsville, Alabama, to Washington headquarters as deputy director of the propulsion, power and energy division of the office of aeronautics and space technology.

Two months ago, in what officials had described as a "lateral transfer," Mr. Mulloy had been transferred from his post as head of the rocket program to another job at Marshall.

Congress Restores Cuts In Gramm-Rudman Law

United Press International

WASHINGTON — Congress, in a day of rapid action, voted Thursday to keep in place $11.7 billion in federal spending cuts made under the balanced-budget law but invalidated by the Supreme Court.

The ratification, approved by the House, 339-72, and the Senate on a voice vote, now goes to President Ronald Reagan. He is also expected to approve and keep in place budget cuts made March 1 as the first step under the Gramm-Rudman-Hollings law toward balancing the federal budget by 1991.

The cuts were ratified by a special joint House-Senate Budget committee on a voice vote. The meeting took just 10 minutes. The special panel was set up under the law in case the Supreme Court negated the $11.7 billion in reductions.

Action by the joint committee made it easier to prevent attempts at amendments by lawmakers who wanted to restore some or all of the money.

The House Budget Committee chairman, William H. Gray 3d, Democrat of Pennsylvania, said the vote to uphold the cuts means "Congress is being forced back to reality. No philosopher-king or chief executioner is going to make them for us. We must make the tough decisions."

The Senate Budget Committee chairman, Pete V. Domenici, Republican of New Mexico, said the ratification meant that "all of the cuts are hereby confirmed and made retroactive."

"It will be at least a minor — I stress minor — test of whether this fallback provision will work," Mr. Domenici said just before the vote.

The $11.7 billion in cuts made March 1 were the first under the Gramm-Rudman law's five-year plan to balance the government's books by 1991.

But last week, the high court said the procedure used to make the spending reductions, which employed the comptroller general, was unconstitutional, forcing Congress to ratify the cuts so they can remain in effect.

The court said the comptroller general cannot do the cutting because he is a legislative, not executive, officer. Authors of Gramm-Rudman are trying to find an executive department method to avoid Congress having to vote for cuts in the coming years.

However, House Democratic leaders say there seems to be growing sentiment not to give up congressional power.

If Congress did not act Thursday, Mr. Gray said, not only would the deficit go up this year but it would add "$15 billion to $20 billion to the fiscal 1987 deficit, making our goal of compliance with the edict of Gramm-Rudman all that more difficult to achieve."

U.S. Will Sell Pakistan Advanced Technology

Reuters

WASHINGTON — The United States and Pakistan signed an agreement Thursday allowing Islamabad to buy advanced technology that, U.S. officials said, contained tough guarantees that the equipment would not be used in Pakistan's nuclear development program.

They would not give details of the accord, signed during the first visit of Prime Minister Mohammed Khan Junejo to Washington.

But they said it was similar to one signed with India during the visit here a year ago by Prime Minister Rajiv Gandhi. Neither accord has been published and will not be, they added.

The officials said only that the agreement would allow Pakistan to buy advanced mainframe computers and communications equipment, to be used solely for the purposes specified in the accord.

The agreement, signed at the White House by Secretary of State George P. Shultz and Foreign Minister Sahabzada Yaqub Khan, contained a prohibition on resale of the equipment to third countries, as well as banning its use in Pakistan's nuclear program, the officials said.

That program has become the focus of Mr. Junejo's three-day visit to Washington. In talks Wednesday, President Ronald Reagan issued a stern warning that U.S. military and economic aid would be cut off if Pakistan acquired a nuclear bomb.

That expected warning reflected U.S. suspicion that Pakistan's nuclear program was aimed at producing a bomb, despite frequent denials of this by Islamabad.

Mr. Junejo repeated the denials in a U.S. television interview.

"Pakistan has no intention of going for a bomb," he said. "Our nuclear program is purely for peaceful purposes. I can assure the people of the United States of America the government of Pakistan has no intention of going for nuclear weapons."

The prime minister reiterated a willingness to sign the 1968 treaty against a spread of nuclear weapons, as Washington has urged, provided India signed it at the same time.

India has refused to sign the treaty, which would open its nuclear facilities to international inspection, contending that it is an unequal document that favors the advanced nations.

Mr. Junejo denied a report in The Washington Post this week that Pakistan had succeeded in enriching uranium to 30 percent, well over the 5 percent regarded as sufficient for producing energy.

ew York Seeking 700 for AIDS Tests

By Erik Eckholm
New York Times Service

NEW YORK — The blood bank at serves the New York metro-litan area is working to identify out 700 people who received ansfusions in the period from 77 to April 1985 that may have en contaminated with the AIDS rus.

The agency, the Greater New ork Blood Program, said ednesday it expected to begin no-ying the patients this fall. The tients received blood given in rlier donations by people who ve recently tried to donate blood d were found in a screening test be carrying antibodies to the IDS virus.

Infection with the virus does not cessarily lead to AIDS, an incurable depletion of the immune sys-m.

More than 2.7 million patients have received transfusions from the New York center since 1977. That is about the time that AIDS is believed to have first begun to spread in the region.

The director of the blood program, Dr. Johanna Pindyck, said that the risk that any single patient received contaminated blood was about 1 in 10,000, even before the antibody testing began last year. With current tests, the blood center estimates, the risk of AIDS infection to patients receiving a transfusion is 1 in 250,000.

Until anti-AIDS therapies are developed, those found carrying the virus can do nothing to rid themselves of it. But physicians hope that people who find out that they are infected will avoid passing the potentially fatal virus to others through sexual intercourse, the sharing of needles or from mother to infant at birth.

Last month, the nation's blood banks announced their plans for what they called a "look back" program to trace earlier recipients of suspicious blood.

The Greater New York Blood Program provides 90 percent of the transfusions given in New York, the Hudson Valley and parts of northern New Jersey, and on Long Island. As of June 25, transfusions were blamed in 56 of New York City's 6,881 AIDS cases.

DEATH NOTICE

The friends of the painter and poet
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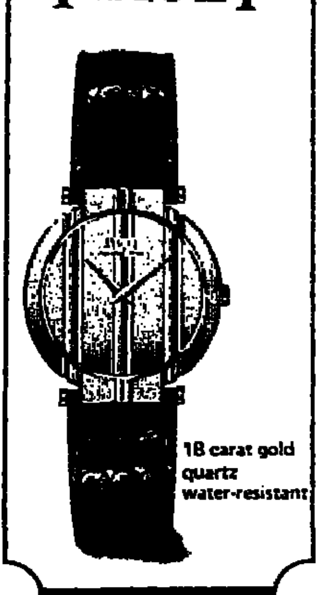
Cremation at the Columbarium of
Père-Lachaise Cemetery, Paris. Tuesday,
July 22 at 1:30 p.m.



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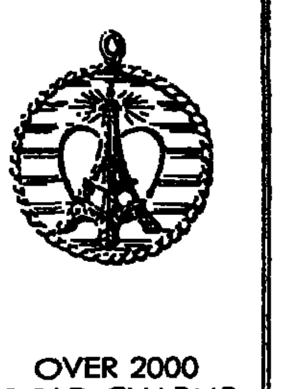

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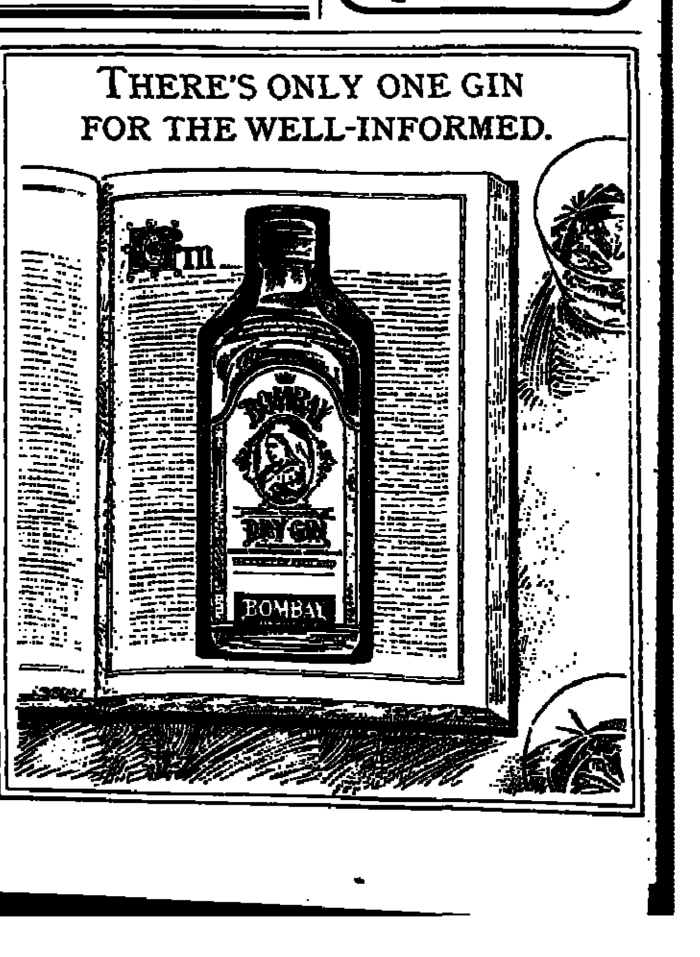

INTERNATIONAL
Herald Tribune
Published With The New York Times and The Washington Post

Message to Pretoria

With South Africa seething under virtual martial law, President Reagan proposes to send as his next ambassador a North Carolina businessman, Robert Brown, who happens to be black. And why not? Why not remind Pretoria that the United States is a multiracial society directly affronted by its racist doctrines? Mr. Brown has no diplomatic experience, but his political acumen is admired ecumenically across the spectrum, from Senator Jesse Helms to Mayor Andrew Young of Atlanta.

The catch is that any ambassador can only be as effective as instructions permit. Would Mr. Brown engage with South Africans of every hue, including the blacks so long shunned by Washington? That would signify a genuine shift after five years of wrongheaded appeasement of South Africa's white power structure. Unless Mr. Brown packs a new policy, his designation would be only an offensive, racial stunt intended to fend off demands in Congress for economic sanctions.

What is afoot should be plainer next week, when Secretary of State George Shultz divulges the results of a much-touted policy review. Mr. Shultz already has urged the Senate not to join the House in supporting sweeping sanctions. He should succeed only if he acknowledges the failure of the "constructive engagement" with Pretoria to promote significant political reforms and the damage it has done in alienating South Africa's black majority.

Grievously missing in Washington's denunciations of apartheid is any sense of urgency about the victims in an onrushing tragedy. Mr. Shultz said last month that apartheid "must go" and be replaced by a "democracy that knows no color." But this now needs elaboration while there is still time to achieve the goal without violence.

The antagonists in South Africa are not waiting for a broker to bring them to agreement. They are careering toward a civil war in which the United States, even if it were not perceived as the white regime's ally, would be trumped by Communist weapons flowing to blacks.

If that is to be averted, Americans must press all sides toward accord by reaching out to black leaders. That necessarily includes the proscribed African National Congress, whose leaders insist they have turned to violence out of desperation. Though the administration has called for the release of Nelson Mandela, the group's imprisoned leader, it has skittishly avoided open contact with its spokesmen in exile.

The Congress includes Communists and has ties with the Soviet Union. Why not contest that influence? That requires no legislation, and involves no sanctions. Why not constructively engage the entire spectrum of black organizations that aspire to nonviolent change? A willingness to attempt it is the first requirement of a policy that makes America a vital player in this high-stakes confrontation.

If that is the next ambassador's mission, it would not much matter, as it should not matter, what his race.

— *THE NEW YORK TIMES*

A Boom in Trouble

At the start of the year there was a broad consensus among forecasters that the U.S. economy would grow strongly in 1986. The Reagan administration thought so, as it always does, but other people with no political interests agreed. Yet the growth rate last winter was modest, and in the spring, by all indications, it was even lower. The optimists still expect an acceleration over the summer and fall, but the evidence for it seems increasingly fragile. Where did January's promising forecasts go off the track?

The most serious of the disappointments has been in foreign trade. The foreign sector has become a substantial and persistent source of error in American economic forecasting, not only within the administration but among independent scholars as well. One reason is that the United States has never before run trade deficits on the present gigantic scale. Experience is the basis for economic analysis, and in this case there is very little experience to go on. Beyond that, the U.S. government's statistics on foreign trade are notoriously unreliable and are apparently getting worse as the Commerce Department tries to save money on its obsolete reporting system.

More important, there has been a central failure of policy — not on the part of the Reagan administration, but by the Japanese and especially the West Germans — that is contributing to poor U.S. economic performance here. Last winter most American economists assumed that, as the U.S. dollar's exchange rate fell, Japan and West Germany would respond rationally and forcefully to speed up their own economies and keep trade expanding worldwide. Instead they have done little. West Germany has slowed down, and Japan is evidently going into a recession. So there is less demand for American exports than expected. If this slowdown develops into a world recession next year, Tokyo and Bonn will bear a heavy share of responsibility.

In America the government published figures this week showing that retail sales have been rising steadily while industrial production is lower than a year ago. How can consumption rise while production falls? The explanation is the foreign trade deficit. Imports fill the gap. Because production is falling, there is plenty of spare capacity in American industry, and businesses have been cutting back new investment. Business investment is one of the key determinants of economic growth, and falling investment is not a healthy sign. As long as the trade deficit remains sky high and business investment continues to slide, it is hard to see what could produce faster economic growth in America, or in the world.

— *THE WASHINGTON POST.*

China Schools Itself

The differences between the two great Communist states in their attitudes toward foreigners is endlessly fascinating. The Russians invariably assume that the visitor is, if not actually a spy, at least a subversive influence from which the population must be shielded. The striking thing about the Chinese, in contrast, is their cool self-confidence. A current example is the joint graduate center that Johns Hopkins University is establishing with Nanjing University.

Classes begin in September. The first year's 22 American and 43 Chinese students are to live and work together, each of the Americans with a Chinese roommate. Both universities contribute faculty. The courses get into a number of sensitive subjects — recent history, the structure of the two economies, Mao's thought (taught by a Chinese scholar in Chinese) for the Americans. American political institutions (taught by an American in English) for the Chinese. The library is to be half Chinese books, half American and European, on open shelves.

The Chinese are engaged in a sweeping reorganization of higher education, to produce more people with the abilities that a modern economy requires. The presidents and vice presidents of 11 Chinese universities have been at Johns Hopkins in Baltimore to meet some of their American counterparts. The Chinese are looking carefully at foreign models as they rebuild their system, and the exchanges back and forth are widening. It is particularly remarkable when you consider that the country was almost totally closed to visitors for nearly a generation after the revolution.

Another indicator of Chinese attitudes is the number of students permitted to study in America, confident that most will return. More than 10,000 Chinese currently attend American colleges and universities, compared with hardly more than 200 Russians. The flow in the opposite direction, to China, is limited more by lack of facilities than by political constraints. Johns Hopkins's joint venture is an adventurous and promising attempt to widen those opportunities.

— *THE WASHINGTON POST.*

Other Comment

Commonwealth Friction

The rumor that India might organize alternative Commonwealth Games appears to herald a new phase in a war of nerves over a former Commonwealth member, South Africa. Margaret Thatcher has thrown herself into a very complicated and risky midfield game. What does she hope to obtain with her sermons on international morality, in such shrill contrast to what most civilized nations have come to see as necessary in dealing with South Africa?

The latest wisdom is that she goes as far as she does in opposing sanctions so as to be able to majestically concede a few mini-concessions at the Commonwealth meeting [next month in London].

Prime Minister Rajiv Gandhi of India was right when he said recently: "[Why should] we withdraw from the Commonwealth? When 48 countries agree, and one disagrees, would it be logical that the 48 withdraw?" It is hard to imagine that Mrs. Thatcher would put at stake the relations of her country with millions of people around the world in order to save South Africa in a way despised by the majority.

One can only hope that Mrs. Thatcher's indifference toward the Commonwealth is faked. Britain should count its blessings in having special bonds of friendship with this varied group of countries.

— *NRC Handelsblad (Rotterdam).*

The 'Lucky Country'

Has the "lucky country" run out of luck? Has Paul Keating, dubbed the world's best finance minister by Euromoney magazine last year and who is the obvious heir apparent to Prime Minister Bob Hawke's leadership of the Labor Party, lost his marbles? The growing consensus in Australia is yes to the first and a guarded no to the second.

— *Peter Costigan, Daily Telegraph (London).*

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OPINION

WELL, WELL, AIN'T THAT NICE, PA? HA HA — OUR LONG LOST SON IS BACK — MY GOODNESS GRACIOUS! (WHAT THE HELL DOES HE WANT?)
WHY, SON!! WE THOUGHT YOU WERE OFF WORKING FOR GRAMM RUDMAN — GUESS IT DIDN'T WORK OUT, HUH. HA HA... (I THOUGHT WE WERE RID OF THE BUM!)
DEFICIT
The Congress BOARDING HOUSE

In Britain, Symptoms Of an Identity Crisis

By Philip Geyelin

LONDON — "WHO are WE?" That the queen has probably never exercised her royal prerogative to raise so elementary a question with her prime minister, Margaret Thatcher, in one of their regular weekly chats is of no moment.

The question is ever-present here. It colors every conversation with Britons of all sorts. It leaps out of opinion polls. It is encapsulated in the bitter British debate over South Africa, with Mrs. Thatcher presenting herself as the senior statesman of the Western world, making global waves while her opposition worries over Britain being odd man out.

The same question compounds, more broadly, the deep divisions within the ruling Conservative Party and within the opposition — as well as the warfare between them. More so than at any time since World War II, the British are in the grip of an identity crisis.

The roots run to the collapse of empire and to Britain's protracted game-playing in the formative years of the European Community, before finally joining up (the early ambivalence lingers); they run to the value placed by some, including Mrs. Thatcher, on a cherished "special relationship" with the United States and an independent British nuclear capability, and the resentment felt by others about British dependency on Washington's will and whim.

To these tugs and hauls, add the Commonwealth connection and you have the makings of something on the nature of a national nervous breakdown, with various consequences for American foreign policy. The symptoms are everywhere.

Item: The immediate worry over what Mrs. Thatcher's opposition to wide-scale "punitive" sanctions against South Africa is doing to the Commonwealth Games in Edinburgh. A few proud Britons may resent the impertinence, but most would deplore lasting damage to the Commonwealth itself — and none more so, one surmises, than the queen who presides over it.

When the queen, as Victoria would have it, is not amused, the Briton on the street is not amused.

Item: The recent flaps over Westland and Leyland, the former a failing British helicopter manufacturer and the latter a troubled builder of automobiles. Without laboring the details, the issue in both cases turned on the pros and cons of bailouts or takeovers by American firms. As one U.S. diplomat put it, "Westland and Leyland stirred up the whole question of dependency on America."

Item: The use of bases in Britain for the U.S. air strike on Libya, coming hard on the heels of Westland-Leyland. "The stage was already set for a critical re-examination of the relationship with us," said another U.S. official. And the public judgment of Mrs. Thatcher's acquiescence to the Libyan air strike was overwhelmingly critical. The taunt that she is Ronald Reagan's "pet poodle" has become a fixture in the opposition's cries in Parliament.

Item: The swarms of anti-nuclear protesters in the halls of Westminster. The nuclear disarmament movement is louder than it is large, but it is the cutting edge of a public disinclination to depend on the United States for British security.

The resulting contradictions make no sense: The opposition Labor Party sounds as if it is wedded to unilateral nuclear disarmament and to denying base rights to the United States — as if this somehow could be compatible with membership in the North Atlantic Treaty Organization, with its strategy of deterrence calculated on the availability of British nuclear forces and U.S. base rights in Britain.

Item: A paradox of the "anti-Americanism" in opinion polls. A large majority "like" Americans, according to a recent study by Market and Opinion Research International. What they definitely do not like, by even larger majorities, the study found, is excessive American influence over British industry, or the economy, or defense policy, or morality and television.

Even worse, considerable majorities questioned Mr. Reagan's judgment and doubted he could be "trusted to look after British interests." One in five even rated America as a bigger threat to peace than the Soviet Union, and one-third saw nothing to choose between the two.

Ordinarily the electorate would clear the air; a general election will be held no later than 1988. But the fluctuating polls, now showing the Labor Party with a chance for a working parliamentary majority, more often show a roughly even three-way split between Labor, the Conservatives and the Alliance, the loose partnership between the old Liberal Party and disaffected Laborites.

A clear Labor majority could have a transforming effect on Britain's international relationships, special or otherwise — but that is not to say it would crystallize a new British sense of identity. If Britain cannot figure out what it is — or wants to be — after five years of rule by a steely prime minister with a mammoth parliamentary majority, you have to wonder how long it will be or what will have to happen before it can.

Washington Post Writers Group.

Tough Tests Ahead for a Lately Unlucky Australia

By Maximilian Walsh

SYDNEY — Australians who call their nation "the lucky country" are wondering if the luck has finally run out. The national treasurer, Paul Keating, told his countrymen last month that unless they got their act together they would end up living in a banana republic.

His remarks sent the Australian dollar into a downward spiral that saw it shed more than 10 percent in a matter of weeks. In 18 months the dollar has fallen by 35 percent and Australia, a major borrower in international markets (total debt is 80 billion Australian dollars, or $50 billion), finds itself facing a balance-of-payments crisis.

There are many reasons for the deterioration of this rich little economy, the most important being the drop in commodity prices since late last year.

Australia's almost hedonistic lifestyle is based on its ability to produce farm products and minerals cheaply and efficiently. Despite rapidly increasing output in the last year due to earlier falls in the dollar, the trade deficit remains stuck at more than 1 billion Australian dollars a month.

The terms of trade have moved against Australia by a staggering 14 percent in a few months. The fear is that this is not just another trough in the commodity cycle but a sign of structural change.

Australia's largest single export is wheat, currently the object of a trade war between the United States and the European Community.

While the United States has a policy of not entering traditional Australian markets, the subsidizing of exports by the United States and the EC has seen the floor fall out of wheat prices. The country's second-largest export is coal, which, ultimately, is priced against oil. The OPEC collapse has hit both coal and oil export earnings.

A range of other commodity exports, such as iron ore, bauxite, copper, lead and zinc, have been hurt by competition from other commodity producers, many of whom are desperate for foreign exchange to pay off their borrowings.

Japan and the United States form the major market for Australian output. Japan has slipped into negative growth, while the United States is slowing down. The Japanese situation underlines the depth of difficulty Australia has found itself in.

The Japanese economic miracle owed almost as much to the availability of Australian iron ore and coal as it did to the favorable exchange rate gifted to Japan by General Douglas MacArthur. Unfortunately, the very wealth of Australia's natural endowments underwrote both a comfortable lifestyle and an economic structure incapable of rapid adjustment to the sort of change now occurring.

Investment has for decades been channeled into developing new mines, oil and gas fields. The population of only 15 million was not large enough to sustain a broad-based manufacturing sector. What manufacturing there was failed to adapt or to seek export markets.

An official policy of high tariffs based on the politics of creating employment, and financed by the wealth of commodity exports, created industries basically dependent on governmental good will. Behind the tariff wall, Australian workers were among the highest paid in the world — and also the most strike-prone. A lack of competition meant that manufacturing did not worry about maintaining up-to-date technology.

With the first oil shock of the 1970s, Australia suffered an economic shakeout which led to questioning of the high tariff policies. They were too entrenched to be reversed, but the politicians of both sides agreed that past policies had enfeebled rather than nurtured manufacturing.

Then came the second oil shock, in 1979-1980. The conservative Fraser government, seeking re-election, forecast a commodity boom based on international demand for Australia's seemingly limitless reserves of coal. The boom did not materialize, but the Fraser boosterism did prompt the metal manufacturing and heavy engineering industries to capitulate to workers' demands for large pay increases in the expectation of lucrative contracts from new mines.

The wage increase was transmitted through an economy that is highly unionized, where a plumber in one industry is paid the same as a plumber in another regardless of relative profitability. Wage-fed inflation soon produced accelerating unemployment. That, combined with a long, nasty drought, saw the Fraser government defeated in the 1983 elections by a Labor Party led by Bob Hawke, former head of the trade union movement.

In an episode that helps explain why Australia is called the lucky country, the drought broke within days of Mr. Hawke's election. He forged a pay accord with the industrial movement, aimed at keeping a cap on wage increases. Then he and his treasurer used an expansionary fiscal policy to kick-start the economy.

Most of the funds for this were borrowed abroad. The end of the drought, and a recovery led by the public sector, were complemented by a deregulation of banking and financial markets that saw the entry of 16 foreign banks into the country. The dollar was floated and exchange controls dismantled. Private investment languished, but financial markets churned with takeover activity, most of it financed by the new banks seeking market share. Much of the funding was raised overseas.

Since 1980, when total foreign debt was 13.9 billion Australian dollars, the money has poured in, reaching the 80-billion figure this year. Debt service payments have moved in that period from 8.3 percent of exports to over 34 percent.

Bob Hawke, by LURIE.

The international markets, noting this trend, marked the dollar down sharply early last year. This slowly has affected trading activity, with import volume falling and exports rising. But the terms of trade have canceled that out.

The government has signaled that it is now prepared to take the tough fiscal steps necessary to reduce the demand for imports. It is due to announce its budget in mid-August. While Australians are bracing for a period of austerity, the real nerve of the government has yet to be tested.

The writer is an Australian syndicated columnist and broadcaster. He contributed this comment to the International Herald Tribune.

On Terrorism, Little Sign of the New Cooperation

By Flora Lewis

PARIS — Terrorist attacks have broken out again in Europe. As Washington notes with a hint of smugness, there has not been evidence of Middle East-inspired terrorism since the April 15 American raid on Libya, but the idea of terror as a political weapon has proven itself alive with a series of new deaths.

Basques in Spain, leftist extremists in France, West Germany and Portugal, Irish nationalists and Protestant loyalists in Northern Ireland have all struck in the past week.

Meanwhile, two Lebanese Shiites sentenced to 23 years in prison for the attempted murder of a Libyan Embassy official have been released and deported by Madrid, apparently in return for Spanish hostages sent home from Lebanon. France is receiving the Syrian vice president, Abdel Halim Khaddam, in hopes of speeding the return of French hostages in Lebanon.

A French court in Lyon sentenced Georges Ibrahim Abdallah, the alleged chief of a Lebanese terrorist group in Europe, to four years on relatively minor charges. He has already been in jail for two years, during which time his group staged several attacks to demand his release. He is still to be tried in Paris with complicity in the murder of a U.S. deputy military attaché and an Israeli diplomat in 1982.

There have been widespread reports that the Paris court may dismiss the case for "lack of evidence," although the police found the Czechoslovak-made pistol used in both killings in Mr. Abdallah's Paris apartment. The U.S. government and the American's widow have asked to enter the case as civilian plaintiffs in an effort to forestall such a judgment.

And the U.S. Embassy complained about the light sentence in Lyon, which could lead to Mr. Abdallah's early release. The complaint provoked a sharp rebuke from the French Foreign Ministry for "unacceptable interference."

Amid all this, American officials predicted that Middle East terrorists, apparently lying low just now, are likely to switch tactics and launch large-scale random attacks in European capitals to exploit and prolong American fears of foreign travel. The tourist industry has been hard hit.

This certainly does not look like the great increase in cooperation among governments to block terrorism that has been claimed. It looks like continuing national narrow-mindedness, each country trying to look out for its own and forget the consequences for others.

The anguish of negotiations for the return of hostages is understandable. The primary duty of each state to protect its citizens is undeniable. Legal systems and court procedures remain a national affair.

But it is clear that despite all the public posturing, there is still really no agreed Western stand on how to deal with terrorism, and whether or not to make concessions in an attempt to head it off.

The media have been criticized for helping the terrorists, who need publicity to spread their message of menace. It is true that they succumb, not only in the obligation of reporting the news but in magnifying the sensation.

Politicians too are tempted by the rewards both of talking tough and of trying to deliver hostages. Spectacular measures, such as the U.S. raid on Libya, did not succeed in demonstrating that terrorism does not pay, just that it is not a good idea to boast about it as openly as Libya's Colonel Moammar Gadhafi liked to do.

After the raid, he told an interviewer that he was "very surprised, because I could not imagine how they could attack a head of state in his house with his family. It has not happened before in modern history." His history is bad — many heads of state have been attacked and even killed — but he seems to think attacks should be reserved for those of lesser status.

The effective proof that terrorism does not pay is that it has achieved no modern cause beyond grabbing public attention and, occasionally, winning the release of prisoners so they can strike again. This fact needs to be proclaimed, loud and often.

It is a mistake to suggest that the motives of political terrorists should be examined sympathetically. They are sick minds who dishonor any cause. It is also a mistake to be concerned about which terrorists are which, except in terms of catching them. They are everybody's enemy, whomever they hit.

The New York Times.

LETTERS

A Tear for Lady Liberty

In response to the massive media coverage of the 100th birthday of the Statue of Liberty, I would like to make the following observations:

My late father was an immigrant who came to America from Poland after the turn of the century when pogroms drove his family away.

But I feel Lady Liberty should have a tear chiseled under her eye in light of the recent U.S. Supreme Court decisions against homosexuality and for the death penalty; for the failure to ban the possession of firearms; and for the continuing use of force, as in Grenada and Libya.

Hopefully the youth of America will continue to push the Reagan administration by demonstrating for aid to the poor, protesting against racism in South Africa, and demanding an end to the arms race. Only then will America truly be free.

JEFFREY H. GALE.
Ioiza, Baleares, Spain.

An Ear to the Victims

Susan Chira's report about the South Korean military is certain to have disappointed many Koreans. (*"In Seoul, All Ears Are Tuned to Military," June 30.*) The military has been the major instigator of undemocratic measures in this country. The writer ignores the opinion of the many jailed dissidents, including students and union activists. She should have heard the voice of the victims.

KIM HOO CHOL.
Seoul.

A Loophole Big Enough for a Whaleboat

By Elizabeth Kemf

GENEVA — Earlier this month Japan and Norway announced their intentions to stop commercial whaling, but conservationists have no cause to cheer. Both nations are continuing to whale despite the fact that an international commercial whaling moratorium theoretically began this year. Both say they will scale down their whaling activities this year, and both promise to end them next year.

But using a loophole in the International Whaling Convention, they will follow Iceland and South Korea and hunt whales under the guise of science. Critics have condemned this practice as a way to keep whaling fleets functioning during the moratorium. The killing of whales for scientific purposes is not regulated by the International Whaling Commission.

Iceland intends to take up to 200 whales a year under scientific permits; it has already taken at least 25 fin whales this year. South Korea plans to kill up to 160 minke whales a year for scientific purposes. If Japan initiates research plans to hunt minke whales in the Antarctic, the numbers would be much higher.

A comprehensive review of the moratorium's effect on whale stocks is to be completed by 1990.

More than a million whale carcasses have been dissected this century. Some scientists say this has yielded enough biological data already.

Sir Peter Scott, honorary chairman of the World Wildlife Fund and adviser to the British delegation of the commission, is critical of the abuse of scientific permits. "On no account should scientific permits be used to get back into commercial whaling," he said last month. "I strongly mistrust science based on dead whales, when we have so many available techniques for studying the living whale. Killing whales in the name of science contributes nothing to conservation or science."

The commission passed a nonbinding resolution last month to curtail abuse of scientific permits. It recommends that whales killed for scientific purposes be used primarily for local consumption and that great care be taken by governments when considering permits to hunt whales from a protected stock.

The World Wildlife Fund and other nongovernmental groups are urging all member nations of the International Whaling Commission to abandon research whaling plans. They are calling on Japan to ban trade in products derived from whales killed for scientific purposes.

Norway, which has not formally withdrawn its objection to the moratorium and is hunting a protected whale stock, faces restrictions on its fish exports to the United States. Under U.S. law, any nation diminishing the effectiveness of an international fishing treaty risks such a ban.

Attempts to circumvent the whaling ban must be exposed. All commission member nations must be encouraged to observe the framework — and the spirit — of the convention. As long as whales are killed in the name of science and their carcasses sold, the moratorium remains a myth.

The writer has attended International Whaling Commission meetings as a non-governmental observer for the past five years. She contributed this comment to the International Herald Tribune.

IN OUR PAGES, 75 AND 50 YEARS AGO

1911: N.Y. Cholera Scare

WASHINGTON — Both the Federal health authorities and the health officers of New York are showing some concern over the spread of cholera, the first cases of which were brought to this city by Italian immigrants. There have been three deaths within 48 hours and 15 patients are in the detention hospital, six of whom will probably die. There is indeed danger of a cholera epidemic unless strict precautions are observed, and Dr. Wyman, the Surgeon-General of the Public Health and Marine Hospital Service, issued orders [on July 17] that all immigrants arriving from any port where cholera has appeared are to be placed in quarantine for 10 days, then to be released only if they are in perfect health. The Government officials believe that the Italian Government is suppressing news in regard to the spread of cholera.

1936: Sing, but Later

PARIS — [A reader writes:] "Have you got a friend, who has a friend, who knows a man, who is second cousin to a man, who is close to whatever department is in charge of those street singers who yowl up and down residential streets? Not that I have anything against street singers. I've listened to them long enough to know two songs and both of them begin: "Je suis chômeur" ["I am out of work"]. But I object to the hours they keep. They start to wail and moan and yip about 6 A.M. and they give up at midday sharp. Let's get a Minister to get some organization in the street-singing industry. Regiment them. Divide them into groups: one group to sing breakfast music; another group to accompany lunch; and say quartets of accordions for dinner music. Let any one of them that ventures out before 9 A.M. be shot."

هكذا من الأجيال

Britain, Sym
f an Identity
By Philip Geyelin

ustralia

peration

[illegible]

or Watergate's Bad Boys, Much Better Days

By Nicholas D. Kristof

New York Times Service

S ANGELES — John D. Ehrlichman's bushy eyebrows are at rest. Those familiar tufts, which 13 years ago soared and d as Mr. Ehrlichman sparred with the Watergate Committee, still exercise dur- versations. But they have mellowed.

s Mr. Ehrlichman. From his comfort- me in Santa Fe, New Mexico, he writes r novels set partly in his old White haunts, earning more than he ever did as residential aide, with time off to go fly every afternoon.

y of Mr. Ehrlichman's erstwhile White colleagues also seem more relaxed than their years in power. With Watergate them, many have been absorbed into d lucrative careers.

me extent, their success reflects the ness, competitiveness and intelligence that carried these few to the pinnacle of power in Washington. But it seems their White House years, including Watergate, count as a plus in their current lives. People return their phone calls. They get better seats at restaurants. And they make more money.

"I don't know that it's ever hurt," said Mr. Ehrlichman. "I can't say that I've ever had a downside experience. Oh, I take that back. I had one. A doctor once refused to treat me."

H.R. Haldeman, who now lives in Santa Barbara, California, and who is part-owner of a real estate investment firm and of several steak house restaurants, says his experience, after the initial jolt of Watergate and the sudden departure from Washington, has been similar — no one has refused to do business with him because of his past. "It's really the other way around," he said.

Indeed, there seems to be a recycling underway of the Watergate clan and a re-emergence of public prominence for some. Two months ago, former President Richard M. Nixon appeared on the cover of Newsweek, which declared him "rehabilitated."

"There's a public amnesia about what these guys actually did," said James David Barber, a Duke University political science professor.

Mr. Ehrlichman puts it a bit differently: Americans, he says, do not distinguish sharply between fame and notoriety. Either sells.

Are the Watergate figures capitalizing on their misconduct? They shrug off the thought, pointing out the punishment they endured for their misdeeds: Twenty-five people went to prison, many lawyers among the defendants were disbarred, all suffered disgrace initially, along with enormous legal bills. Although the more famous turned quick profits by writing memoirs and giving lectures, some defendants initially had to depend on friends for help.

"Five years in prison I would not characterize as a benefit," said Mr. Liddy, who says he earns several hundred thousand dollars a year by lecturing and by running a security agency. But he added, "There's a silver lining in any adversity."

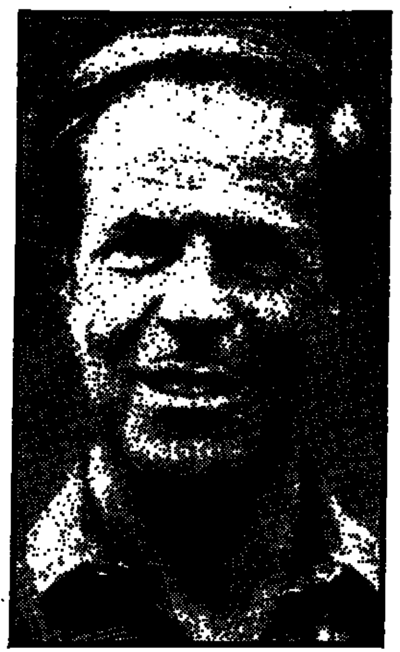
The prison terms, the disbarments, the rise of John Ehrlichman as writer and Bob Haldeman as steak house owner all grew out of the arrest, at 2:30 A.M. on June 17, 1972, of five men with cameras and electronic gear in the office of the Democratic National Committee in the Watergate Hotel complex in Washington. Eventually, White House officials were implicated not only in covering up the break-in but also in using federal agencies in a campaign to discredit Democratic opponents.

Mr. Nixon eventually faced the near-certainty of impeachment in the House of Representatives and probable conviction in the Senate. On Aug. 9, 1974, he became the first president in history to resign.

What follows is a look at how the nation and the marketplace are treating some Watergate figures a dozen years later.

Robert J. Schoenhur

Recent photos of three of President Richard M. Nixon's aides who were involved in the Watergate scandal: John D. Ehrlichman, left, H.R. Haldeman, below, and G. Gordon Liddy, now an actor.



Bart Bartholomew/The New York Times

W. Dean 3d

ormer counsel to the president lives in eles with his wife, Maureen, and runs a estment banking firm. He has, he says, ents than he can handle.

ean, 47, keeps a low profile in Los where many lawyers and investment say they have never heard of his firm, Mercantile Services. He agreed to an only after a half-dozen telephone two conversations. "I just quietly want own thing, without flash or splash," he n trying to preserve my privacy."

electrifying the nation in 1973 with his y in the Senate Watergate hearings president had been involved in the e cover-up for months, Mr. Dean r months in prison for his own mis- He was also disbarred. After prison, a considerable amount as a lecturer, mmentator and author of his Water- oir, "Blind Ambition."

ean became active in investment bank- t seven years ago in the Los Angeles 1984, he incorporated his activity and Mercantile Services was born.

firm arranges corporate financings, and acquisitions, business start-ups re capital projects and develops lines

toriety he achieved during the Water- 's does not hurt him, Mr. Dean says. best of my knowledge, it's never been a at all."

Haldeman

H.R. Haldeman seems restrained, ident. Gone is the crew-cut drill ser- o guarded access to Mr. Nixon. Mr. an's hair is longer these days, his man- eal.

ormer White House chief of staff lives wife, Jo, on a large estate in an exclu- of Santa Barbara, California.

aldeman, who in his pre-White House an advertising executive, has three sinesses: real estate investment in California, which he pursues through old Wedgewood Investment Corp.; a ine Sizzler Steak House restaurants in and business consulting for the David ock Development Co. in Los Angeles, ime employer until seven months ago, efore he moved to Santa Barbara.

Mr. Murdock, a financier and developer who has been active in Republican causes, hired him as a vice president in 1979, seven months after Mr. Haldeman emerged from 18 months in prison.

Before joining Mr. Murdock, Mr. Haldeman parlayed his Watergate experience into a lucrative best seller, "The Ends of Power."

He says he plans to write another book on his White House years.

He believes his Washington years have little direct effect on his current activities but added: "I don't have trouble with people knowing my name. I guess that's an advantage."

John D. Ehrlichman

"I prefer this life, where you quit at 1:30 in the afternoon," said the former chief domestic affairs adviser to Mr. Nixon, of his new career as a writer. Mr. Ehrlichman, 61, has just published a new novel, "The China Card," about a spy on Mr. Nixon's staff. Simon & Schuster's marketing campaign for the book stresses the author's familiarity with Washington.

Sporting a beard and a dressing style that make him look a bit like a leftist academic, Mr. Ehrlichman lives on a quiet street in Santa Fe. He came to Santa Fe after his 18 months in prison, he says, because he was looking for a quiet place to write.

Mr. Ehrlichman's first book was "The Company," a novel about the CIA, which sold more than one million copies and became a television series. Next was "The Whole Truth," a White House novel, which did not do very well. Then came his memoir, "Witness to Power," which was a Book-of-the-Month Club selection.

"The China Card" is a Book-of-the-Month Club alternate with a big first printing — 90,000 copies.

Mr. Ehrlichman has remarried, and he and his wife, Christy McLaurine, a designer, have a 5-year-old son, Michael. Mr. Ehrlichman has five children by his first wife.

Besides writing books, Mr. Ehrlichman lectures, consults, and writes magazine articles. He declined to give details on his earnings, but said, "Financially, things are much better than when we were in Washington."

G. Gordon Liddy

The flamboyant Mr. Liddy — the onetime lawyer, FBI agent, White House aide and counsel to the Nixon re-election finance committee — divides his time between Scottsdale, Arizona, and a large home along 400 feet (122 meters) of the Potomac River near Washington.

He earns most of his income from the 60 lectures he gives each year, for fees, he says, that range from $4,000 to $8,000. Many are motivational, entitled, for example, "Surviving or Prevailing: The Choice is Up to You." Mr. Liddy, 55, says he has delivered them everywhere from the U.S. Military Academy to the McDonnell Douglas Corp.

Today, he is happy to fade into private life. "There's not a whole lot of interest in it these days," he said, referring to Watergate. "If people recognize the name, they ask, 'Did you play for the Cincinnati Reds?' I usually say I didn't play for the Reds and let it drop."

Irritant in U.S.-China Ties: Arms Assistance to Taiwan

Beijing's Anger Over Licenses Strains Relations

By Selig S. Harrison

Los Angeles Times Service

WASHINGTON — Growing tensions over Taiwan pose the most serious challenge to U.S.-Chinese relations since Washington recognized the People's Republic of China seven years ago.

In an interview in Beijing, the Communist Party leader, Hu Yaobang, flanked by Deputy Foreign Minister Zhu Qizhen, criticized U.S. policies on Taiwan. The recent visit to Washington by Mr. Zhu marked the start of a Chinese attempt to bring about reduced U.S. military support for Taiwan as part of a broader shift in American policy.

Questioning U.S. good faith in honoring an agreement limiting arms sales to Taiwan, Mr. Hu asserted that the United States was "not friendly to China regarding Taiwan, and if you remain unfriendly over a long period of time, we would not tolerate that."

The United States is caught between two commitments: one to the Congress and the other to China. Washington insisted on retaining the right to sell arms to Taiwan when it established ties with Beijing.

But Congress went a step further, enacting the Taiwan Relations Act, which requires U.S. sales of weaponry to Taiwan "sufficient" for its defense. This has provoked tensions with Beijing. They were papered over when U.S. and Chinese leaders signed the Second Shanghai Communiqué on Aug. 17, 1982, in which the United States pledged that arms sales to Taiwan "will not exceed, either in qualitative or quantitative terms," the post-1979 level.

The United States has reduced its arms sales by $20 million each year since the communiqué. But tensions over Taiwan were rekindled last year when Beijing learned that the United States had begun to license technology exports to Taiwan for the manufacture of advanced weaponry.

China views the licensing as a violation of the 1982 communiqué. Washington responds that it did not cover technology transfers.

CHINESE anger mounted in recent months as U.S. military publications reported hush-hush details of Taiwan's $1-billion program to produce what is called an "indigenous defensive fighter aircraft" containing a late-model U.S. engine and avionics technology.

Washington refuses to sell Taipei the F-20 or the F-16, since these would represent a qualitative increase over the F-5E, currently the most advanced plane in Taiwan. But sources in Taipei, Washington and U.S. companies say that the plane will "approach" the F-20 in some of its technology and will look like a "small version of the F-16."

Mr. Hu said that even if not mentioned directly in the 1982 communiqué, "technology transfers are clearly covered."

"What is the difference," he went on, "between arms sales and the transfer of technology for the manufacture of armaments? 'Transfer of technology' sounds better. But it is the same thing as arms sales."

"We are not clear about the exact level of technology being licensed by the United States for the airplane," Mr. Hu said. "But if it is a fact that the U.S. is using technology transfers to circumvent the limits on quantitative and qualitative increases, it would constitute bad faith. China would take a stern position and would give serious consideration to the proper measures of response."

SINCE China, too, receives U.S. military help for its air force, and says it wants to reunite China by peaceful means, why does it object so strongly to arms for Taipei?

Apart from its concern with the military balance as such, China views U.S. arms sales as a symbol of Washington's intentions concerning the future of Taiwan. Beijing envisages a gradual increase in China-Taiwan contacts and trade during the years ahead, leading eventually to negotiations under which Taiwan could contain a "high degree of autonomy" in accordance with Beijing's concept of "one country, two systems."

The United States has declined to endorse this concept so far, arguing that it wants to leave the destiny of Taiwan up to the Chinese on both sides of the Taiwan Strait. But Beijing contends that the United States is already deeply involved in the issue and will continue to be so long as it continues high levels of weapons sales to Taiwan, along with sales of advanced military-related technology, totaling $150 million in 1987.

China recognizes that unification will take time, Mr. Hu indicated, but he wants to know "whether we are going in the same direction."

"We don't find unanimity of views among the present leadership in the United States concerning Taiwan," he added. "Do they want to see China unified, or do they want some form of independence for Taiwan? At least some people in Washington consider Taiwan an unsinkable aircraft carrier. Others seem to have a wait-and-see attitude. If the U.S. would make up its mind it would make possible a gradual process of peaceful unification."

In Beijing's perspective, a more rapid reduction of U.S. arms sales would signify a more neutral U.S. attitude toward unification, while the present policy suggests a U.S. desire to perpetuate a de facto independent Taiwan for as long as possible.

The issue of arms to Taiwan produced a tense and inconclusive exchange between Mr. Zhu and Michael H. Armacost, the U.S. undersecretary of state for political affairs.

Many U.S. officials contend that China does not really care about the Taiwan issue as much as it proclaims, but uses it to keep the United States on the defensive to exact concessions on other issues. All that China really cares about is economic modernization, they insist. But this view underrates the unification objective in Chinese politics.

Selig S. Harrison, a senior associate of the Carnegie Endowment for International Peace, recently spent a month in China and Taiwan as part of a study of the Taiwan issue.

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Israeli Bomb Dispute Highlights Weapons-Control Problems

By John H. Cushman Jr.
New York Times Service

WASHINGTON — The complex story of Israel's cluster munitions illustrates how hard it is to control the spread of advanced weapons, the uses to which they are put and the technologies that help to build them.

Last week, U.S. officials said they were investigating possible illegal export of U.S. equipment to be used to build cluster weapons, which scatter over a wide area small bomblets carrying special charges designed to penetrate armor. These munitions were supplied to Israel by the United States until 1982, when Israeli forces in Lebanon broke U.S. restrictions on the weapons' use.

Whatever this investigation finds, the state-owned company involved, Israel Military Industries, has already designed its own cluster munition to replace the American one. The Israeli device was tested successfully last summer, according to the international publication Military Technology.

In fact, the journal suggested, the Israeli model is superior to the American one and could supplant it in the arsenals of West Germany and other allies using such weapons.

The production of cluster weapons by many nations shows how widespread the technology for their production is. And Israel's pressing ahead with development after the United States halted its flow shows how hard it is to restrict any kind of weapon once it has been invented.

Like the Europeans, Israel faces an adversary, in this case Syria, that is equipped with tanks. Cluster munitions, either dropped from aircraft or fired from howitzers, are a standard weapon against tanks. Israel lost its access to U.S. cluster weapons after it was accused of using them against populated areas or civilian targets.

NEWS ANALYSIS

That accusation and a subsequent secret investigation of the charges put the United States government in a quandary. Under terms of the Arms Export Control Act, if Israel was officially found to have violated the secret terms of a 1978 agreement limiting the use of cluster weapons, exports not only of cluster weapons but of all military items to Israel would be blocked.

The Reagan administration notified Congress in July 1982 that a violation of the agreement might have occurred, but it never sent a formal notification that the violation had occurred.

According to a recent study by Richard F. Grimmett of the Congressional Research Service, "to date, the president has never taken the next step and actually determined that a violation did occur which necessitated the cutoff of deliveries or sales."

The administration instead decided only to block further sales to Israel of cluster munitions. But that did not impede Israel's development work on the item.

Aside from Israel, several European countries, including West Germany, Norway and Italy, are seeking to improve upon the United States cluster shell, the M-483, which is fired from 155-millimeter howitzers. But its range is limited and it has other shortcomings.

According to Military Technology, the West German company Rheinmetall has offered to sell the West German armed forces a projectile that could contain Israeli bomblets. Israel, the magazine said, sold Rheinmetall the manufacturing rights to the bomblet.

Israel has made several improvements in its cluster weapons, according to the article, which was published in the December 1985 issue of Military Technology.

The article was written by Wolfgang Flume, who is editor of a German-language publication, Wehrtechnik, published by the same company. One improvement keeps spinning artillery shells from transferring their motion to the bomblets. The transferred motion distorts the shape of the bomblets in flight.

Another improvement reportedly being worked on by Israel would incorporate a timing fuse to detonate any charge that missed its mark. Otherwise the unexploded munitions would pose a danger to later passers-by.

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France Strengthens Law To Control Immigration

Reuters

PARIS — France's conservative-dominated Parliament has approved tough new measures to control immigration and make it easier to expel foreigners who threaten public order.

The National Assembly adopted the new immigration bill late Wednesday with 286 members of the governing Rally for the Republic and Union for French Democracy parties voting in favor and 244 Socialists and Communists voting against.

Thirty-three deputies of the extreme-right National Front abstained. The party, which entered Parliament on a hard-line anti-immigrant platform, condemned the measures as too lax.

The bill abolishes the need, introduced in 1981, for expulsions to be approved by a court. Foreigners can now be expelled from French territory by decision of the local prefect without right of appeal.

Frontier police officers will be given wider discretion to refuse entry into France and immigrants who are accused of breaking the law will find it harder to renew their residence permits.

The law also aims at accelerating expulsions by widening the definition of what constitutes a threat to public order.

President François Mitterrand has said he deplored the new immigration measures but he has no power of veto over the bill.

Large-scale immigration into France was stopped in 1974 but tension over the presence of about four million foreigners has become a burning political issue.

Resentment has focused almost entirely on immigrants from North Africa, particularly about 800,000 Algerians.

Analysts said the bill was a response by the government to the National Front, which has drawn much of its support from voters disillusioned with mainstream rightist parties.

Dispute Mars Chirac's Ties To President

The Associated Press

PARIS — A spokesman for Prime Minister Jacques Chirac said Thursday that his conflict with President François Mitterrand over the government's plan to sell state-owned companies would scar future relations between the two men.

"There's no longer the same atmosphere around *cohabitation*," Mr. Chirac's spokesman, Denis Baudouin, said. "It's no longer the same thing. It's like a scar." Cohabitation is the term used to describe the power-sharing arrangement between the Gaullist prime minister and Mr. Mitterrand, a Socialist.

Mr. Chirac's center-right government wanted to order about 65 state businesses sold by decree. Mr. Mitterrand, a Socialist, refused Wednesday to sign the decree.

The prime minister said he believed that Mr. Mitterrand did not have the authority to withhold his signature. But rather than risk a constitutional confrontation, Mr. Chirac said he would present the measure to Parliament, even though that will delay the sales for several weeks.

■ EC Objects to Chirac Plan

Mr. Chirac could encounter problems with the European Community over limits on foreigners buying shares in denationalized companies, Reuters reported from Paris.

The EC internal market commissioner, Lord Cockfield, asked last week for changes in the terms for selling off the state assets on the ground that they limit foreign holdings — a breach of rules on the free movement of capital in the 12-nation bloc.

Since then, the terms have been tightened, with *total* foreign holdings at the time of the sell-off limited to 15 percent.

The state may also keep a "golden share," giving it a perpetual veto over further foreign share acquisitions.

The government spokesman, Alain Juppé, said Wednesday that he hoped the EC Commission would treat France's sell-off of 65 companies in banking, insurance and industry as a special case exempt from EC rules.

"I do not believe that rules on capital transfer should apply to this exceptional operation," he said.

Reuters

Herbert Meissner

Bonn Keeps Low Profile In Spy Case

Reuters

BONN — The West German government sought Thursday a way out of the deadlock over the issue of an East German double defector who has taken refuge in his country's mission in Bonn. It appeared eager to minimize damage to relations.

But the federal prosecutor, Kurt Rebmann, who operates independently of government control, reiterated his determination to arrest Herbert Meissner, 59.

East-West German relations have improved steadily in recent months and the government sources made it clear that Bonn was trying hard to prevent the Meissner case from disrupting the process.

Government sources said the West German leadership was displeased with the way Mr. Meissner's case had been dramatized by the issue of a warrant for his arrest by Mr. Rebmann on Wednesday.

Mr. Meissner, a senior economist who is deputy chairman of the East German Academy of Sciences, asked for asylum in West Germany after being arrested for shoplifting in West Berlin on July 9, according to West German officials.

They said he subsequently changed his mind and sought refuge in the East German mission to Bonn on Tuesday. East Germany said he was kidnapped by West German agents.

In a statement Thursday, Mr. Rebmann said Mr. Meissner had gone to West German intelligence headquarters in Munich and admitted that he had carried out espionage work for East Germany since 1978.

The office of Chancellor Helmut Kohl had scheduled talks with Mr. Meissner to ascertain if he was seeking to return to East Berlin of his own will but had then been stunned by Mr. Rebmann's decision to open a criminal investigation against him. The planned talks with Mr. Meissner were then canceled.

Reagan Fills U.S. Safety Post

United Press International

WASHINGTON — President Ronald Reagan announced this week he would reappoint James E. Burnett Jr., 39, of Arkansas to be chairman of the National Transportation Safety Board for a two-year term.

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Policemen in Peru Get Jail Sentences

United Press International

AYACUCHO, Peru — Three civilian judges have sentenced 11 police officers to prison terms of 10 to 25 years for killing dozens of villagers in a stronghold of extreme leftist rebels.

The 11 policemen were found guilty Tuesday of murdering 34 peasants near the Andes mountain village of Soccos, about 10 miles (16 kilometers) west of Ayacucho, on Nov. 13, 1983. The peasants, who were holding a wedding party, had refused to give them food and drink.

The ruling marked the first time in Peru's fight against leftist insurgents that courts have convicted police of human rights violations. Human rights groups say policemen and soldiers killed more than 1,000 peasants in the Ayacucho region from 1982 to 1985 in their attempts to crush Shining Path guerrillas.

EUROPEAN TOPICS

On Scottish Isle, a Try At Decontamination

GRUINARD ISLAND, Scotland — Government scientists hope to decontaminate this 520-acre (210-hectare) island off the west coast of Scotland, where 44 years ago British biological warfare researchers exploded a bomb containing anthrax spores. Since then, the island has been closed to humans and domestic animals. The scientists say they believe the island can be made safe with new methods of detection and the development of a technique to destroy the spores.

They have found two contaminated areas on the island covering a total of 11 acres. These will be treated with a mixture of formaldehyde and sea water to chemically isolate any remaining active spores. Next spring independent scientists will decide whether the island is safe.

Around Europe

LONDON — British women still earn less than three-quarters of the average hourly earnings of men, despite a decade of progress in other areas of equality, according to a report of the Britain's Equal Opportunities Commission. From 1970 to 1975, women's hourly earnings increased from 63 percent of that of men to 75.5 percent. But the progress toward equal pay stopped after 1977. The average hourly earnings of full-time women workers, aged 18 and over, have stalled at 73 percent to 74 percent of those for men.

BERN — A Swiss citizens' group calling itself "Clean Switzerland" began collecting signatures this week for a national referendum to ban dog droppings from public parks, playgrounds and footpaths. The group seeks to amend the Swiss constitution so as to inflict fines of up to 5,000 Swiss francs ($2,800) on dog owners whose pets soil public places. At least 100,000 signatures are needed before Jan. 15 to call a referendum.

PARIS — According to a recent opinion poll, 56 percent of French people who say they voted Communist in March would like the party's leader for the past 14 years, Georges Marchais, 66, to step down. The Communist vote dropped to 9.8 percent at the March legislative election, the party's worst showing in more than 60 years. The Communist daily newspaper L'Humanité dismissed the poll as "a hateful aggression."

ROME — Italians now consume more milk than wine, according to the national Consumers Union. In 1985, per capita consumption of milk was 76.8 liters (20.7 gallons) a year, with wine dropping to second place at 73.2 liters. Experts say that eating and drinking habits are changing, especially among the young. The traditional elaborate lunch, and the wine that goes with it, is going out of fashion.

LONDON — A Bri Broadcasting Corp. inves tion has revealed that some dio Moscow broadcasts to ain are being jammed by Russians themselves. The quiry was ordered last wee ter Leonid Zamyatin, the S ambassador, complained he could not tune in Soviet grams. BBC engineers che reception of the six freque used by Moscow to broa in English to Britain. found that two were so clo Western broadcast char that Soviet jamming of channels interfered with th viet programs as well.

BOXTEL, Netherlands The White Fathers, a Ro Catholic missionary orde planning to take along al members, dead or alive, wh moves shortly to new quar The order says it will exh 150 members buried in graveyard, because the spot be difficult to reach and m tain after construction of highway nearby.

Barbie Trial Clears Another Legal Hur

PARIS — After three y of legal maneuvers, the way pears to have been cleared the trial of Klaus Barbie, Nazi war criminal, for his in the deportation of Fr

Klaus Barbie

Jews and Resistance fight Barbie, 73, headed the Gest in Lyon from 1942 to 1944 1983 he was expelled from livia and brought to France

French prosecutors origi ly had charged Mr. Barbie with crimes against Jewish ci ians, which are conside crimes against humanity, had classified repression of Resistance as war crimes. Th is a 20-year statute of lim tions on war crimes in Fra meaning that Mr. Barbie co not be tried for them more t 40 years later.

In December, the Court Cassation, France's highest peals court, ruled that cert crimes against the Resista also could be classified crimes against humanity. public prosecutor ruled l week that three of the charges against Mr. Barbie torture and deportation members of the Resistance be considered as crimes agai humanity. The trial is expec to begin early next year.

— Compiled
SYTSKE LOOIJ

Japan Appears Ready To Join SDI Project

By Clyde Haberman
New York Times Service

TOKYO — Japan basically has decided to join the Reagan administration's space-based defense research, a government official said Thursday.

There is general agreement among Japanese leaders to permit private companies and research institutes to take part in the missile-defense program, formally known as the Strategic Defense Initiative, the official said.

But he added that divisions remained over whether government agencies should also become involved, and that has delayed a final decision on Japan's role.

Nevertheless, several officials said that discussions were in the "final stage."

A cabinet member involved in these talks, Michio Watanabe, the trade minister, said Thursday that a decision would be reached "in a relatively short period of time."

The pace of Japanese deliberations are expected to quicken because of the governing Liberal Democratic Party's stunning victory in parliamentary elections last week. The landslide has greatly strengthened Prime Minister Yasuhiro Nakasone, who has not officially endorsed the space defense program but is widely known to be a booster.

Mr. Nakasone is also believ have grown impatient with the pace of Japanese deliberati which have dragged on for i than a year, and he is espec eager that a decision be made fore his term expires in Octob

Under present rules, he i step down then as party lea although that deadline seems creasingly unimportant.

After the election results, mentum has gathered within party to keep Mr. Nakasone in fice. An extra full term of two y is improbable, political anal said. But a growing number of l eral Democrats, including Mr. kasone's chief rivals, seem incli to extend his present term by least a few months.

"Changing course would mea betrayal of the public," the d cabinet secretary, Masaharu toda, said Thursday.

While U.S. officials have insi that Japanese involvement is critical for the space defense p ject to succeed, they also hope benefit from Japan's advances electronics, lasers and rocket p pulsion.

In turn, after showing ini coolness, Japanese industry steadily grown more eager to j the research, largely out of conc about falling behind in developi technologies.

That worry increased early t year after Britain and West Germ ny announced they would take pa in the program.

According to a government of cial, it is virtually certain that J pan will, at the least, follow t West German formula and perm private companies and institutio to join.

Some estimates say that Jap nese contractors could obtain much as 15 percent of the $26 bi lion estimated as the project's bud get for the first five years.

ernational Herald Tribune

TRAVEL

- *China's Yunnan province*
- *Castelli Romani*
- *Fight for lower fares*

RAVELER'S HOICE

e train in Spain

1851 the queen of Spain inaugurated a special to carry the royal family between Madrid and their try palace in Aranjuez — and to bring freshly d strawberries back to the capital. These days, comrs can ride the "Strawberry Train" and eat the fruit aboard as well. Pulled by a steam engine, the features antique wooden coaches and a wooden f car, faithfully restored by the National Railroad um, with such touches as the detailed wrought-ailings at each car's end. The run to and from Aranakes place on Saturdays, Sundays and holidays mid-May through Oct. 19. The train leaves Madrid's a station at 10 A.M. and arrives at Aranjuez, 30 south, at 11:05. Hostesses in period costume serve berries, and a band greets arrivals with a burst of . Passengers can spend the day in Aranjuez visiting yal palace with its formal gardens. They can also boat trip down the Tagus River, or simply wander the tree-lined streets of the baroque town. For the trip, the train leaves Aranjuez at 7:55 P.M. and arn Madrid at 9:10. The round-trip fare is 1,100 peor less than $8 per person. Tickets are available at fice of RENFE, the Spanish national railway sysr through Spanish travel agents; reservations are recnded.

k view of Tokyo

okyo the Sumida Line has 40-minute summeruises departing from the Azuma bridge near the a Temple, a major tourist attraction. They pass 12 historic bridges, proceed from the old central area ity to the modern sector and halt at the garden marikyu, the former Imperial Detached Palace. passengers may disembark or continue to the fip at Hinode Pier, 10 minutes by foot from the Hamsu-cho station of the Japanese National Rail-Yamanote Loop Line. The cruise may be reversed, g at the Hinode Pier and ending at the Azuma . The cruises leave at 40-minute intervals from 9:50 p sunset and cost about $3 one way, and $1.50 dren under 12. An additional $1 is required for ad-n to the Hamarikyu Garden. The Tokyo Cruise o. also operates a 30-minute Museum of Maritime Line cruise between Hinode Pier and the Mariience Museum, situated on an island in Tokyo Bay. te to the museum, which houses exhibits that ilte life around the sea, the cruise boat passes Odaiba, ains of a fortress built to defend Tokyo against inbarbarians during the feudal age. Museum cruises, at $6 for individuals over the age of 12 and $3 for n under 12, include admission to the museum and hourly from 10 A.M. to sunset.

American in Dublin

1946 J.P. Don- novelist, play- and known to his as Mike, arrived land, whence his ors had fled a gen- n before. He came rt of a drove of can ex-servicemen g to improve their and ruin their liv- at Trinity College ivers bars — on the ll. Donleavy crysd the experience in mous novel "The r Man," a catalog e "drinking and ry" in which the r claims he took gree. These latter days he lives in Ireland in less , even stately, homeliness, and is famous enough to written his illustrated memoirs, called modestly Donleavy's Ireland." Alliteration and affectation the book offers a nostalgic evocation of a city changed and "developed" (as Hugh Oram's shopping shows), and in part destroyed. The coffee houses afton Street — "the epicentre of art and literature in oking, drinking, betting and talking attitudes" — d the day. Donleavy frequented especially the still ex-Bewley's, with its "roasted coffee smells permeate street" and, as he saw them, a clientele of prospecums and hungover poets studying the racing form ary life was not all wagering on the horses"). Then were Mitchell's; The Grafton Picture House Café; er's; Robert Roberts & Co.; the Monument Creamery all are documented, complete with personal unaduate anecdotes. Alongside, of course, establishs purveying stronger drink: Davy Byrne's (where eavy nearly came to blows with Brendan Behan). The y, McDaid's, Jury's, the Shelbourne, and the "exand spiritually enclosing" lounge of the Royal Hiber-Hotel. Here it was that D. was challenged by a for daring to wear her racing colors in a tie; he red it, bowed and was rewarded with a bottle of pagne and the name of a racing certainty at 20 to 1. ladies are probably now hard to find, but consernists could have fun with this book, checking out how n of "The Ginger Man's" city remains. "J.P. Don-'s Ireland," Michael Joseph/Rainbird, London 5.

Many of the 24,000 islands in the Stockholm archipelago are low slabs of rock called skerries. Lars Pehrson

Isles of a Summer Night

by Jeppe Wikstrom

STOCKHOLM — The 24,000 islands of the Stockholm archipelago float in a gray-blue sea like so many pieces of broken china scattered across the floor, in every conceivable shape and size, from tiny shards to the odd half-plate with a jagged edge.

This island world, covering an area the size of Connecticut, actually starts in Stockholm. The central parts of Sweden's capital are built on the innermost islands. From there the archipelago fans out toward the Baltic Sea. Years ago hundreds of small boats came into Stockholm from the outer islands every day to sell fish. Now municipal "bus boats" depart for the archipelago from the center of the city, right outside the royal castle and the opera house.

The islands near Stockholm are virtual suburbs, densely populated and connected to the mainland by bridge or car ferry. Other parts of the archipelago are uninhabited and among the wildest areas in Europe. Some of the islands, forest-clad, rise high above the sea; others are low, naked slabs of rock called skerries. On some it takes several hours to walk from one end to the other; some you could swim around in a minute.

There are relatively few tourists in the archipelago even at the height of summer. There are many summer houses, characteristically painted red, and in the vacation month of July the waters teem with yachts. Yet there are no chartered buses, no bars or souvenir stands. The Swedes are protective of this island heritage.

Until recently there were not many opportunities for visitors to sample the pleasures of the archipelago, but in the early 1980s a modest and discerning type of tourism started to develop. A prime example is the Coast Line shipping company's one and only boat, the Utskar. On a 12-hour day trip through the outer islands, from Nynashamn at the southern tip to Norrtalje about 30 miles (48 kilometers) north of Stockholm, the boat follows a route that seems to pass almost dangerously near skerries and reefs. This trip brings home the remarkable number of islands and skerries in the archipelago. In the course of a few minutes, we counted more than a hundred. Sometimes it seemed the boat had blundered into a tangle of islands from which there could not possibly be any way out.

Kayaks enable visitors to navigate shallow waters. Lars Pehrson

Other vessels also serve the islands. The Stromma Kanal offers a three-hour trip starting in Stockholm and sailing down canals through woods and farmland out to Sandhamn, one of the archipelago's liveliest communities and the yachting center of the area. Most of the buildings are from the 18th and 19th centuries; small wooden houses are clustered together by the sea, most painted red, some green and yellow. Quite a few have gingerbread details, with beautiful fretwork and glass-enclosed verandas.

Among the 10 or so small shops on Sandhamn are a good bakery and an arts and crafts center that sells first-rate examples of Swedish woodenware and textiles, such as key rings in the form of small blocks ($10) and handknit sweaters ($110). The most attractive articles are wooden duck decoys (about $80), so popular they are often sold out by mid-July. There are two good restaurants on the island, which has been an important pilot station for hundreds of years.

Another island worth a visit is Bullero, one of the most beautiful in the outer archipelago, with splendid (though sometimes slightly difficult) walks along the ironbound shore with its round, smooth, rather soft-looking rocks. In the inner, forested areas of the island, a visitor might see one or two roe deer. A small museum shows life in the archipelago in bygone days, mainly through pictures. Though Bullero is a fair-sized island — it takes several hours to walk around it — only one family lives there permanently. You can buy smoked fish from them, but there are no shops or restaurants.

The best place to get an idea of farming on the islands is Angso. Pasture land, hay meadows and small patches of tilled land are surrounded by thick forests, and a few cows, untrammeled by fences, leisurely graze. Angso was designated a national park in 1909, the smallest of Sweden's 20 national parks and the only one in any of its archipelagos. The display of flowers in its meadows in June and early July is magnificent.

The easiest way to get around the archipelago is on the bus boats of Waxholm Co., which cover many of the inhabited islands. Many of the boats do justice to their name, being all too buslike, practical but rather dull. There are, however, two outstanding exceptions: the steamboats Storskar (built in 1908) and Norrskar (1910). Gleaming with polished wood and brass, they chug proudly but at no great speed among the islands. The Storskar offers a pleasant lunchtime cruise around the islands nearest Stockholm. The Norrskar runs a day tour to Sandhamn that provides a look at almost all the different kinds of islands except the outer skerries.

Among other steamboats, the Blidosund (1911) does five evening trips a week from Stockholm, with jazz, blues and soul music on board; the Bjorkfjarden (1925) goes out three evenings a week with a jazz band and stops at one of the islands for dancing on the landing-stage, a popular island tradition.

Perhaps the best way to travel around Stockholm's archipelago is on a small yacht. There are plenty of excellent, well-protected natural harbors, and the *allemansratt* ("public right"), an unwritten law, allows public access to private land and water: Anybody can moor a boat on almost any island, even pitch a tent there for 24 hours. (Private gardens, cultivated land and private landing-stages are exceptions to this rule; otherwise practically all the countryside in Sweden is open to anyone.) This public right entails certain obligations: Littering or damaging the countryside is prohibited.

An alternative to cruising or sailing around the islands is kayaking. Last summer a group of nine — a Stockholm woman, three Swedish students, a Seattle couple, an English chemist, a Swedish doctor and myself — were led on such a trip by a guide from a Stockholm travel agency. Because the kayaks could be maneuvered

Continued on page 9

SHOPPING

n Dublin's Fair City, a Crafty Restoration

by Hugh Oram

DUBLIN — A revival in crafts has made Dublin one of Europe's most engrossing places to shop. Besides department stores, antique shops and art galleries, Dublin has many craft shops that have been developed in the past five to ten years, recalling ity's 18th-century splendor, when such skills were at their apogee. ree stories of shops and craft workplaces, 65 in all, form a quadranround an enclosed courtyard at the Powerscourt Center in South iam Street, near Grafton Street. Originally Lord Powerscourt's town e, built in 1774, the building was a clothing warehouse in recent years has been restored. Jewelry, leather goods and glassware decorated by intaglio method are some of the lines created here. Copper Craft es individual letters in copper from the Book of Kells (the original be seen just down the street at Trinity College) for 16.50 Irish pounds).

lost of Dublin's interesting shops are within a half-mile radius of ity College, but one mile (1.6 kilometers) away, the IDA Enterprise ter in Pearse Street (tel. 775-655) welcomes visitors to its many small tmaking places.

t a new shop in the Guinness brewery complex, also about a mile the city center, a whole range of Guinness-branded products is sold, ding T-shirts (4.95 pounds), beach towels (6.85 pounds) and an kely Guinness hip flask (15.25 pounds). The adjacent bar serves the draft Guinness in Dublin — free.

he recent vitality in crafts has produced many other unusual items. Best of Irish shop at the Westbury Hotel (791-233) has models of the Irish telephone boxes, in green and cream color, for 7.20 pounds. Fergus O'Farrell, 60 Dawson Street (770-862) has lifesize models of Irish sheep with detachable, washable fleeces for 175 pounds. O'Farrell also has miniature vinyl Dublin coal hole covers at 2.99 pounds; they make ideal place mats.

Kilkenny Design Shop, Nassau Street (777-066), has long been a showplace of Irish goods, from glassware and pottery through clothes. It has lambswool skirts for 48.80 pounds. The long-established Woollen Mills, by the Ha'penny Bridge over the River Liffey (770-301), has a wide range of tweeds for women, including skirts at about 50 pounds, and fabric lengths; men's Donegal tweed jackets range from 75 to 105 pounds. Many of these lines carry the weaver's name, a refreshing throwback in an automated era. At couturier shops like Ib Jorgensen, 53 Dawson Street (718-111), prices can be higher: an Irish linen blouse, for example, at 186 pounds.

Rummaging in quayside shops is rewarding

Four major department stores have feasts of Irish shopping: Arnott's (Grafton Street and Henry Street), Brown Thomas and Switzer's (both Grafton Street), and Clery's (O'Connell Street). Switzer's claims to have the world's largest display of Waterford glass.

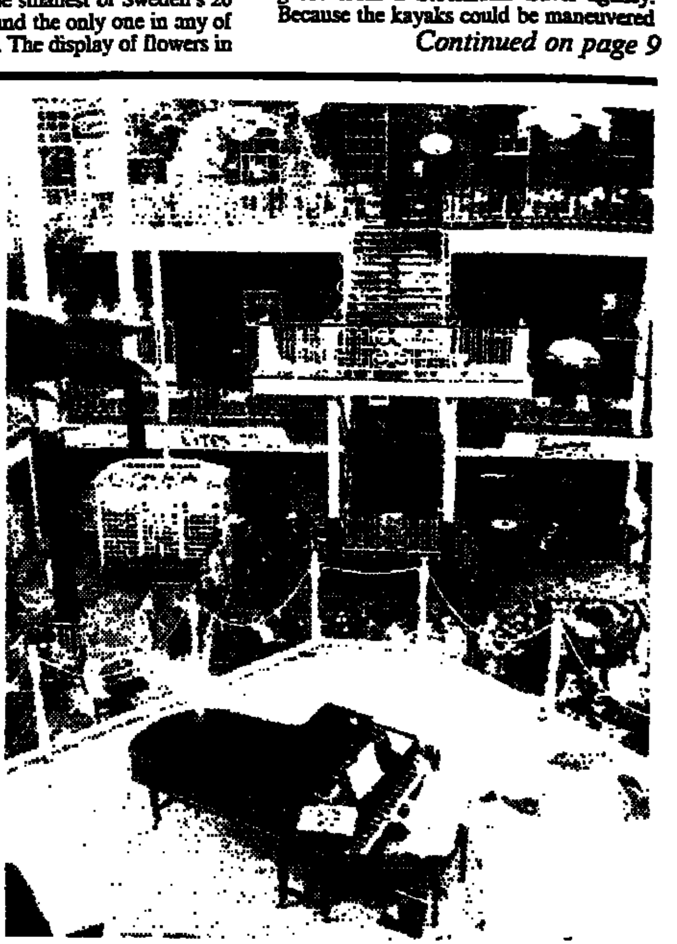
Dublin has about 70 antique shops and more than 20 commercial art galleries. Along the River Liffey, rummaging in quayside shops is rewarding for both antiques and secondhand books. Recently at Edward Butler's, 14 Bachelor's Walk (730-296), I found a huge Irish kettle, more than a century old, for 20 pounds. In the past few years, many new galleries have joined such favorites such as Hendricks in St. Stephen's Green. The Solomon Gallery, Powerscourt Center (794-237), has an exquisite craft shop, while at the Oriel Gallery, 17 Clare Street (763-410), you may pick up a Percy French watercolor for a modest 2,000 pounds.

Most art shops in Dublin sell hand-tinted Jack B. Yeats prints produced by Cuala Press, run by Anne Yeats, daughter of W.B.; these charming prints are reasonably priced at about 8 pounds. At the Gallery of Photography, 37 Wellington Quay (714-654), prints and posters of old photographs of Dublin and Ireland start at 3 pounds. At the National Gallery shop, Merrion Square (608-533), framed prints from the collection run from 13.95 pounds to 40 pounds. The 1987 calendar featuring gallery works should be ready soon for 5.95 pounds.

Books on Irish topics have become numerous in recent years. The best shops for browsing or buying are Eason's (O'Connell Street), Greene's (Clare Street), Hanna's (Nassau Street), Hodges Figgis (Dawson Street) and the Paperback Center (Suffolk Street).

One of the best shopping locations must be left to last: the Dublin airport's duty-free shopping area, well stocked with clothes, crafts, food and drink. A linen crocheted cardigan, the height of Irish-made elegance, is 101 pounds. Men's handwoven wool sweaters are 36 pounds. Some Belleek pottery is modestly priced, such as a salt cellar at 6.90 pounds or an ashtray at 15.50 pounds. A set of six Irish linen damask napkins is 27.95 pounds; in the city center, the price for the set would be 46.50 pounds. And two whole sides of Irish smoked salmon cost about 25 pounds. ■

Hugh Oram is a Dublin-based author and journalist.



Plein air piano at Powerscourt town house centre.

TRAVEL

THE FREQUENT TRAVELER

Independents Breaking State Airline Monopolies

by Roger Collis

"BUSINESSMEN and other regular travelers who are unable to take advantage of many low fares within Europe because of special booking conditions are being exploited by the state-owned and dominated airlines, which charge excessive fares on busy routes," says Michael Bishop, chairman of British Midland Airways. "We don't actually think it's right that these people who produce our bread-and-butter business should be asked to cross-subsidize the tourist. That's discriminatory."

So on June 29, British Midland introduced a low-cost, high-quality service between Heathrow and Schiphol, with a business-class fare 20 percent below that of its competitors, British Airways and KLM. (British Midland is also the only European airline to run its own frequent-flier program.)

As forces finally gather in Europe for what is proving to be a watershed year in airline liberalization, independent airlines such as British Midland, British Caledonian and Virgin Atlantic, and even some charter operators, are leading a breakthrough to lower fares for business as well as leisure travelers by challenging the monopoly of state-owned carriers on some routes.

EC deregulation: 'An explosive situation.'

British Midland keeps it simple on its new service to Schiphol; you get business-class service however much you pay, and there are only four fares instead of the usual dozen: A normal business-class one-way ticket costs £69 ($104) compared with £85 on KLM or BA; a same-day round-trip costs £119; a one-way "late saver," bookable within 48 hours of departure, costs £39; and a conventional PEX ticket costs £69.

British Caledonian's Time-Flyer fares (the tariff depends on the time of day you fly) between Gatwick and Schiphol, Brussels or Frankfurt can save up to 50 percent of normal economy fare. You can change your return flight if you upgrade to a more expensive time segment; you must stay a minimum of one night but it need not be a Saturday.

Virgin Atlantic has an unrestricted one-way fare of £35 between Gatwick and Maastricht in the southern Netherlands (convenient for Brussels, Cologne, Eindhoven) and is looking at similar cut-price services to other destinations.

Nouvelles Frontières, France's second-largest tour operator, runs a "scheduled" charter flight (operated by British Island Airways with a BAC111) between Orly and Gatwick (one flight each way) every Friday and Sunday for 490 French francs. There are no restrictions; you can even change your return. The company is planning more flights. (It is probably no coincidence that Air France and BA have "experimentally" cut their APEX fare between Paris and London from July 1 through Aug. 31.)

Most of these good things have been made possible through the erosion of European protectionism by a series of liberal bilateral agreements in the last two years between Britain and the Netherlands, Luxembourg and Belgium — allowing designated airlines to fly any routes between the two countries at any fares and any frequency — and by a recent threat by the EC Commission to take national airlines to court unless member states make significant progress toward liberalizing air transport.

This threat followed a ruling by the European Court of Justice in April (a test case in which Nouvelles Frontières was taken to court for discounting) that effectively outlawed uncompetitive price-fixing by airlines. Nobody expects deregulation to happen overnight, but there is a groundswell of reform that may lead to confrontations between protectionist governments — such as those of Spain, Italy, Greece, West Germany and possibly France — and independent airlines and charter operators. This in turn may lead to further EC rulings.

"Nothing much will happen until the Council of Ministers' meeting in September," said Christian Pinot, international director of Nouvelles Frontières, "but it's an explosive situation."

"The climate is changing," said British Midland's Bishop. "There's a very strong grass-roots feeling by people that they are being exploited by the airlines. It'll take time, but when the walls start to crack, I think they'll crack quite quickly.

Bishop said he expected two things to happen on the Heathrow-Schiphol route: BA and KLM will reduce fares and traffic will grow. "After we came in to compete on Glasgow and Edinburgh, traffic went up by 35 percent in three years," he said.

British Caledonian has had a similar experience, especially on its service between Gatwick and Amsterdam and Brussels where it operates its Time-Flyer fares. Michael Bathgate, B-Cal's general manager for Europe, said: "We started on Brussels last December as soon as the Anglo-Belgian air-service agreement was liberalized. Since then we've seen a 50-percent growth in our passengers. Interestingly enough, by no means all of it has come from Sabena and BA. We've generated a lot of new business from the ferry and jetfoil." He said he believed about half this growth represented business passengers.

Time-Flyer is an imaginative system. Flying from Gatwick to Brussels, for example, you can do a round trip for £90 (business class costs £178) if you depart and return on the off-peak lunchtime flights. If you want to come back on a peak morning flight, you can upgrade for a total cost of £108 pounds.

Not surprisingly, B-Cal is meeting resistance to Time-Flyer on Europe's more protected routes. "We just have to keep chipping away," Bathgate said.

In France, Nouvelles Frontières is chipping away on charter routes to Frankfurt, Geneva and Rome, so far without success. The climate in France may however be changing; early this month, Air France lost its monopoly on flights to French overseas territories, an opportunity Nouvelles Frontieres was quick to exploit. "We have created a business department with the aim of providing business traffic with lower fares than scheduled airlines and without restrictions," Pinot said. ■

Men Watch, Women Work in Yunnan

by Kate Singleton

KUNMING, China — The billion-strong population of China is 93 percent Han Chinese, but the remaining 7 percent is made up of 55 national minorities, some of whom wear their national costumes and, to the careful observer, have features distinguishable from those of the Han. They can be found in half of the Chinese-controlled territory, mostly in the sensitive border regions. One such region is Yunnan province, which borders Laos in the south, Burma in the west and Tibet in the north.

Kunming is the capital of Yunnan. It is a long train ride from anywhere. If you approach Kunming from the southeast you will probably find yourself sitting up on a wooden seat for 36 hours at a stretch, because the train set out from Shanghai and there are no more couchettes available.

Chinese trains do not have classes but categories: hard and soft. The hard sleepers consist of rows of rudimentary couchettes in one long carriage with a corridor down one side. This is obviously less comfortable, but it is cheaper and interesting. You are likely to meet people who are teaching themselves English and would like you to correct their homework, for instance. Others may play chess with you — a great attraction: the Chinese love watching contemplative games.

The city is at an elevation of 1,890 meters (6,160 feet), and the weather is pleasantly springlike throughout the year. This means it is usually full of flowers and color. Kunming is a strange mixture of old and new, uniformity and surprise. The best way to see this is by bicycle. You can hire one from the new part of the Kunming Hotel (though if you've been traveling in China for some time you'll appreciate the bathrooms in the old part, where you'd be advised to stay; it is less touristy and less expensive than the new.)

In the park at Kunming. Kate Singleton

You will also find a China Travel Service desk there for plane and train reservations. This will save you queuing at stations and CAAC offices.

So off you pedal, and now it is your turn to do the staring: signs depicting a toothy mouth to advertise a dentist's shop where passersby can admire the practitioner's skill with a pair of pliers; little old ladies with bound feet in their tiny slippers; women wearing bright blue turbans, and others with colorful embroidered jackets; young people in jeans and sneakers.

In Caihu Park you can sit under the trees by the lake and read, or mingle with the audience around a group of local musicians; you can sip tea in one of the tea gardens you'll probably find there, or wander into a walled-off area with flowering cherry trees, to watch men sitting on stone benches playing cards or games with illustrated counters.

There are various parks and temples to visit within a 15-kilometer or 10-mile radius of Kunming. Take local buses rather than on guided tours. If you have the energy, there is nothing to stop you making your way there by bike.

If you have a week or more to spare, go to Dali on the west side of the province. Here you can walk on the Cangshan mountain or explore the large Erhai lake and the surrounding villages. Getting there is a bit of an undertaking, however. There are two daily bus services, both from the same depot in Kunming. You can choose between a huge old-fashioned coach and a sleek new Nissan minibus that is more expensive but quicker. The journey is across three mountain ranges with extraordinarily varied vegetation — though you may not always find it easy to concentrate on the scenery; in the big buses, people are sometimes carsick, and in the minibuses the driving can be unnerving on mountain bends. The unwritten rule seems to be that the newer the vehicle, the more right of way the driver has. You can only hope that drivers from the opposite direction can judge the newness of an out-of-sight Nissan by the sound of its horn.

Dali is a tiny town that is the administrative center for a fairly large area. It is at almost 2,000 meters, more or less where the great Yunnan-Tibet and Yunnan-Burma highways meet. In the past it played an important role in exchanges between China and southeast Asian countries.

There are two things in Dali that you will probably appreciate immediately: the food and the architecture. The town, which has only been open to tourists for a couple of years, is full of excellent little restaurants. The local specialty is a steaming cauldron of fish, meat, vegetables, ginger, bean curd and many other tasty things.

The houses are elegant and ornate, usually arranged around a series of courtyards. Often the facades have friezes decorated with black and white paintings of local sc Grey marble is also used for cornerst and detailing. The word *dali* means ma There is a lot of it on the nearby hill which ring with the sound of hammers ing stone.

In the surrounding countryside you see people heaving great lumps of m onto carts, which are hand-drawn to b ing sites. On the lake side of the road, the earth is richer, farmers hoe and dig harvest by hand. Down by the water, ne pulled up, mended and folded by tea three or four. After you have been taki these scenes for about a day, you realis practically all the hard work is do women.

Well over half the population of belongs to the Bai people, whose wo wear brightly embroidered headgear a colorful vest with an embroidered a over the top of cotton pants. Duller ve of this outfit are worn in the fields. The women are pretty and persuasive. Ou sight of the authorities they will try to you costumes they have embroidered, o silver bangles and enameled hairpins wear. You will find other local produc the big authorized market held just out town on Mondays; many of the stalls kept by women.

When Marco Polo visited Dali in the 13th century, he noted that "all the m gentlemen, according to their custom, do nothing except enjoy themselves; women do all the hard work." To which added, however, a custom no longer app ent: "When a woman is delivered of a chi the husband stays in bed for 40 days" wh his friends come to visit him. "And the wi gets up and does the housework and serv the husband in bed."

Kate Singleton, a Milan-based journal recently returned from an extended visit China.

HOLIDAYS & TRAVEL

SHOPPING

MADRONET

HAVILAND
S^T LOUIS
ROSENTHAL
DAUM
R. HAVILAND et C. PARLON
S^T MEDARD

Le Paradis
des Arts de la Table.

MADRONET
34 rue de Paradis. Paris 10^e

SHOPPING

RUE DE PARADIS
PARIS (10^e)

The Rue de Paradis is the most famous street in the world for tableware. 30 shops display the world's finest crystal, porcelain, gold and silverware.

That's Paris CHIC

THE STREET OF FRENCH "SAVOIR VIVRE"

RESTAURANTS

Brasserie
LORRAINE
Les Rendez-Vous
De L'été

ENJOY SEAFOOD
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FOOD

The Fragrant Melons of Cavaillon

PATRICIA WELLS

CAVAILLON, France — Nov. 15, 1864, was a historic day for Alexandre Dumas *père* as well as for the famously fragrant and juicy Provençal fruit known as *melon de Cavaillon*. On that date the prolific French writer made a deal with the municipal government of this market-garden city along the Durance River: In exchange for donating 194 volumes of his work to the local library, Dumas would receive a lifetime annual gift of a dozen fresh Cavaillon melons.

"I have never eaten fresher, more flavorful or more palatable melons than those of my annuity," Dumas later wrote, adding that he hoped the people of Cavaillon would always find his books as charming as he found their melons.

The arrangement came about because a librarian wrote asking Dumas to send two or three of his favorite works. Since Dumas was equally fond of all his writing, he sent the lot, then requested that the municipality send him the melon annuity in return.

The annuity ended shortly after his death in 1870, but a few years ago a French *académicien* persuaded the mayor of Cavaillon to reinstitute the agreement and send the prized melons to Dumas's descendants.

Ultimately, Cavaillon can thank François I for its success with melons. He visited the city in 1537 and authorized local farmers to redirect the water from the Durance, allowing them to irrigate land that until then had supported only cereal crops. Thus Provence became one of first agricultural areas to profit from irrigation in France, and it quickly claimed the fast-growing, sun-loving melon — which had been grown in the area in prehistoric times — as its own. More than half of the 200,000 tons of melons grown annually in France come from the Cavaillon region, which has the proper soil as well as the intense heat and sunlight needed.

The small melon of sunset-orange flesh we know today bears little resemblance to the fruit that brought Cavaillon its early fame. According to one Cavaillon historian, the melon of earlier times was as big as a rugby ball, with a thick, dark-green skin and rose-colored flesh. And, over the years, the number of varieties diminished from about 500 to a handful today.

The French court particularly loved melons: Louis XIV's gardener was known to have grown at least seven varieties for the king, and on at least one occasion Catherine de Médicis suffered indigestion after overindulging in the fruit. In 1727, Louis XV's wife, a noted gourmand, reportedly became extremely ill after eating an excess of chilled melons. (That was not, however, Marie Leszczyńska's first gastronomic indiscretion. The previous autumn she had lost consciousness after consuming some 15 dozen oysters.)

The most popular variety of French melon grown today is the Charentais, a variety that despite its name is the *melon de Cavaillon*. With its yellowish-green, netted-looking, slightly ribbed skin and orange flesh, it falls into the category of netted, nutmeg, melons.

Melons profit from an extremely lo growing season in southern France. Th year the first crop, 70 kilograms (pounds) of melons, arrived in the Cavail market on April 10, and sold for a whop ping 140 francs a kilo wholesale. But e those willing to pay the opening price w most likely disappointed.

The early melons, largely grown un plastic sheeting or tunnels with a little a ficial heat, simply cannot offer the sa overpowering fragrance and densely fr flavor one finds in the *plein champ*, or o field, melons that appear from early Jul mid-September, when they can be found over Provence's retail markets at ab three francs a kilo.

For maximum enjoyment, a mel should be consumed just slightly chil (one poet was delighted that mel charmed the throat and cooled the bel A ripe melon should seem a bit heavy fo size and be slightly soft at the stem e gloriously fragrant at the blossom end. U ripe melons should be stored at room te perature until soft and fragrant. Once r melons will remain even-flavored and s culent if carefully chilled.

> *"I have never eaten fresher, more flavorful or more palatable melons than those of my annuity," said Alexandre Dumas père, hoping that the people of Cavaillon would always find his books as charming as he found their melons.*

The ripening process. Jean-Yves Ferret/DIAF

هكذا من الأصل
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TRAVEL

Castelli Romani: Retreat to the Hills

by Sari Gilbert

FRASCATI, Italy — In the past 22 centuries, Roman emperors and consuls, medieval princes and patricians, Roman Catholic popes d cardinals all had one thing in common late spring and summer: When the eternal y became too hot and dusty for comfort, y fled inland toward the lush, breezy)an hills southeast of the capital — an a that had the added advantage of being e of the malaria that plagued much of the ıntryside.

Aore than 2,000 years after the custom an, malaria is no longer a problem, but much else has changed. When the warm son comes, many better-off Rome fam- s move to summer houses in the Castelli nani, as the 13 towns in the area are rred to because of their history as feudal ngholds. Small hotels and pensions in region also do a thriving business. In the , the air is decidedly cooler, the scenery ly and the wine abundant.

ndeed, the white wine of the Castelli, the ect of more than one poem or song in ıan dialect, is probably responsible for h of the area's drawing power as a destion point for the Rome family's traditioneekend or Sunday outing. The slopes of Alban hills are dotted with restaurants trattoria. At many intersections are ds where the rapidly diminishing carcass roast pig advertises one of the region's ialties, and roadside vendors vie with another to give the best price on wild vberries, raspberries and the magnifi- *funghi porcini* yielded up by the thick nut forests.

e Castelli Romani can offer more than air and good food to the visitor with an est in history and art. The Castelli coinfo a large extend with the area south of e that was originally settled by the Latin s and eventually conquered by the Ro- . After the barbarian invasions came a d of domination by the powerful feudal ies of Rome, whose castles became the of expanding townships. By the 17th ry, much of the area had come under way of the Holy See, by then the princiuthority in Rome.

e region is about a 40-minute drive Rome, its farthest point little more 40 kilometers (25 miles) away, and of the towns are close to one another. people make excursions from Rome, in a case it might be best to do two or even separate visits. Those with more time to spare, and traveling in the off season, might like to stay overnight in one of the area's simple, inexpensive hotels.

Taking the air at Nemi.

Donatello Brogioni/Contrasto

The imposing Villa Aldobrandini, overlooking the central Piazza Marconi, was built by Cardinal Pietro Aldobrandini at the end of the 16th century. Like most of the palaces, it is not open to the public, but its magnificent gardens, with their statuary, fountains and grottoes, can be visited on weekday mornings. Villa Torlonia, with its lovely "water theater" designed by the Renaissance architect Carlo Maderna, is now the town park. Villa Falconieri was built in 1545 for Bishop Alessandro Ruffini and later enlarged under the direction of Borromini. The 16th-century Villa Tuscolana, also known as Villa Rufinella, was once owned by the royal family of Sardinia. The spacious Villa Mondragone, built in 1573, is owned by the Jesuits. The Frascati Duomo, or cathedral, in Piazza San Pietro, has a facade by Girolamo Fontana. The three-towered castle in Piazza Paolo III is now the bishop's palace.

From Frascati it is a short ride to the meager but suggestive ruins of Tusculum, which was probably settled by the Etruscans but according to legend was founded by Telegonus, son of Ulysses and the sorceress Circe. A few kilometers away is the Calmaldoli hermitage, founded by Pope Paul V in 1611. The road continues to two smaller Castelli: Monte Porzio Catone, where Cato is said to have had a villa and where the entrance to the town is through a monumental doorway in the old Borghese family palace; and Monte Compatri, which also has a Borghese mansion, now the city hall. Behind it is a network of medieval streets.

Midway between these two towns a road to the north leads to Colonna, the smallest and northernmost of the Castelli. The main road leads to Rocca Priora, at 768 meters (2,500 feet) above sea level. The lookout point in front of the medieval castle, which belonged to the Savelli family, gives out over the *campagna* amd the wooded slopes of Mounts Artemisio, Tuscolo and Cavo.

Heading back to Rome, the road passes through the delightful town of Grottaferrata, whose abbey was founded by a Greek-rite Basilian monk, St. Nilus, in the late 10th century and fortified in the 15th by Cardinal Giuliano della Rovere, later Pope Julius II. An abbey museum is open in the mornings and late afternoons. Several times a day the bearded monks say Mass in Greek in the church of Santa Maria, which was consecrated first in 1025 and whose 13th-century Byzantine mosaics share the aisles with 18th-century winged angels. The Chapel of St. Nilus has 17th-century frescoes by Domenichino.

If you intend to see the entire region in one trip, from Grottaferrata to Marino or Rocca di Papa you can pick up the Via dei Laghi and continue to the other Castelli. If you are setting out from Rome on a separate occasion, take the Via Appia Nuova out of the city to the turnoff on the left a short way past the Ciampino Airport.

Marino is a pleasant hill town, controlled during the Middle Ages by the Orsinis and then the Colonna family, whose mansion is the city hall. The town has a couple of interesting churches, one of which, the church of the Trinità, has a painting attributed to Guido Reni. But it is best known for its wine festival on the first Sunday of October, when the town fountains run with white wine rather than water.

The road continues to climb, skirting Lake Albano, an extremely deep volcanic lake that was another site of imperial Roman vacation villas. An intersection to the left leads to the highest of the Castelli, rocca di Papa, built into the side of Mount Cavo as a 12th-century papal defense post. A signpost leading to Campi d'Annibale refers to what is supposed to have been a camping spot for Hannibal's armies as they prepared in 211 B.C. to march on Tusculum and Rome.

"Porchetta" is a specialty of the region.

Donatello Brogioni/Contrasto

The lake road continues to Nemi, a tiny town perched far above a smaller volcanic lake with a ninth-century castle, previously a stronghold for the Tuscoli counts, the Orsini and the Colonna, and now property of the Ruspoli. The town is known largely for its wild strawberries; there is a strawberry festival each spring. Nemi has ancient roots; the shore of the tiny circular lake, known as the Mirror of Diana, was the site of a temple to the goddess.

Continue around the lake to Genzano di Roma, south of which is a turnoff for Lanuvio, resettled in the 11th century by Benedictine monks after centuries of decline. Parts of the medieval town, including a small Colonna palace and a fortification tower, remain. On the way back to Rome the Via Appia passes through Genzano, founded by Cistercian monks and best known for its *infiorata*, a festival on the Sunday after Corpus Christi, when the road to the cathedral is carpeted with religious portraits made out of flower blossoms.

Albano Laziale is a large, bustling city believed to have been built over the Casta Albana, the camp that the Emperor Septimius Severus built for the Second Roman Legion in 195 A.D. There is an ancient Roman cistern still in use. The medieval Santa Maria della Rotonda was built on the site of the nymphaeum of Domitian's villa.

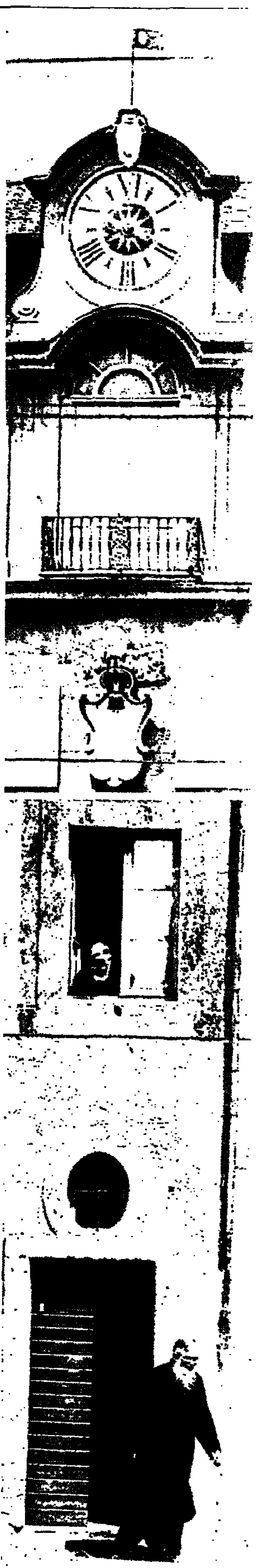
Over the hill from Albano is Castel Gandolfo, overlooking Lake Albano. On the site of Alba Longa, which legend says was founded by Ascanius, son of Aeneas, its original castle was built by the Genoese dukes of Gandolfi but later passed to the Savelli. The town is best known as the summer residence of the pope, a tradition that began when Urban VIII had it rebuilt in the early 17th century. The loggia and the *scalone* (staircase), added by Alexander VII, were designed by Bernini, as was the nearby church of San Tomaso di Villanova and the fountain in front of it.

Most exciting perhaps for history lovers is Castel Gandolfo's *emissarium* or lake outlet, a 1,400-foot passage tunneled out of solid rock to keep the water level constant in the spring-fed lake. The tunnel was built by the Romans, possibly as long ago as 397 B.C., and still serves its original purpose. ■

Sari Gilbert is a Rome-based journalist who contributes to The Washington Post and the Boston Globe.

quiet courtyard at the Abbey of St. Nilus.

Donatello Brogioni/Contrasto



Monks at the Abbey of St. Nilus; above, clock at Castel Gandolfo.

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lands

tinued from page 7

allow water, we reached places that d have been inaccessible to other boats. ept mainly to the uninhabited parts of rchipelago, sleeping in tents and doing wn cooking. The real adventure was ling in high winds in the outermost ies.

boon to the independent traveler in the pelago is the four youth hostels, which no age restrictions. This is an inexpenmd flexible way to travel, offering the rtunity to meet other travelers.

Fjardlang, one of the most beautiful ds in the southern archipelago, with its y forests and sheltered coves, the hostel a large old house. Here you can rent a for a day. There are no shops on the d; you can buy food on Dalaro, the of departure for Fjardlang.

llno has a pleasant enough youth hostel a sauna, but the island is a trifle dull. fourth hostel, however, on Stora Karlnen, is a gem. Built in 1914, it is the only on the island. Guests at the hostel — most — have the island to themselves. is no electricity. Heat is provided by a pen fire, light by paraffin lamps. There o regular boat services. The hostel warwho lives on another island, fetches ts at the nearest regular boat stop. must be brought to the island or orl in advance through the warden. ■

pe Wikstrom, a writer living in Stock- wrote this article for The New York

THE Utskar, tel. (8) 24 94 70, plies the outer skerries Tuesday and Friday, June 4-Aug. 27. The trip costs about $35. Its restaurant serves a limited menu of excellent archipelago cuisine, with dishes such as smoked fillet of cod or smoked salmon; main courses from about $10 to $12. The boat's schedule is designed so that one can disembark at any stop and return to Stockholm on a bus boat.

The Blidosund (11 71 13) has tours with music Sunday through Thursday, June 10-Sept. 4, for $8; buy tickets a week in advance for this or the Bjorkfjarden. Dinner for two, with wine, about $55. Main dishes include pork tenderloin, grilled spiced salmon, steamship steak. Tables must be booked in advance.

The Bjorkfjarden (23 33 75) makes trips with jazz and dancing Tuesday through Thursday, June 24-Aug. 21. for $9. Dinner for two with wine, about $55. Main dishes include fried sole or plaice, fillet of reindeer with fried mushrooms. An excellent herring platter is among the appetizers. Booking a table ahead is recommended.

Lunch cruises on the Storskar are Monday through Friday for $4. The Norrskar makes day trips to Sandhamn daily for $8. No booking for these boats, but tables can be reserved (20 91 96). The food varies; the best bet is steamship steak, $11.

Boat trips to Bullero cost about $11. Museum open daily, June 9-Aug. 22; admission free. Day tours to Sandhamn via canal cost $10. Both can be booked through Stockholm Information Service (Sweden House, Kungstradgarden, Box 7542, S-103 93 Stockholm, tel. 789 24 17).

At Stockholm Information Service you can also buy Waxholm Co.'s interskerry ticket for $15, good for two weeks of unlimited travel on more than 20 routes, or rent summer houses in the islands for $190 and up a week (but be warned, many are a long way from the water).

Boat trips to the national park on Angso run twice a week for $4, private trip for $26, from Vettershaga, which is reached by bus; tel. (176) 643 25.

One can charter a yacht with skipper through agencies such as Swedyacht Charter, tel. (766) 459 20. Cost, from $900 a week for a 33-foot boat with room for five passengers to $2,100 a week for a 53-foot yacht for five. Food is extra.

Aventyrsresor (Adventure) Travel Bureau (54 11 55) has yachting trips all summer for individuals and groups at $420 a week per person, including food. The company organizes weekly kayaking trips, from early June through Aug. 29 (except the third week of June, Midsummer week) at $260 a week including food.

As of 1984, fishing is permitted practically everywhere in the archipelago, provided nets are not used. The most common catches are pike, perch, Baltic herring and pike perch. Hunting is prohibited, with one exception: A single day's hunting of hare, roe deer or duck is allowed under the supervision of the city forest officer in Haninge, a municipality close to Stockholm, who issues a one-day hunting license and a rifle.

Youth hostels cost $7 to $9 a night. Booking, which is recommended, is through each hostel. Fjardlang, tel. (750) 508 00; Moja- (766) 643 12; Gallno (766) 661 17; Stora Karlsholmen (766) 650 90 or (764) 460 23. Rooms have two to six beds, and guests do their own cooking. Alcohol is not permitted.

There are few hotels in the archipelago. On Vaxholm, a good distance from the mainland, is the Waxholm Hotel, (764) 301 50, which is the archipelago's best hotel and has the best restaurant in the islands.

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in Yunnan

Cavaillon

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Spain*	Ptas.	26,500	14,600	8,000
Sweden*	S.Kr.	1,700	920	520
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NYSE Most Actives

	Vol.	High	Low	Last	Chg.
vlLTV	62244	3	2	2⅛	−2¼
AT&T	23936	24⅛	23½	23¾	− ¼
IBM	23734	134	131¾	132	−1⅜
BnkAm	19244	13½	13⅛	13⅜	− ⅝
USX Cp	15304	18⅝	18	18	− ¼
Chevrn	14626	36½	34⅝	35¾	+1⅛
AmDG s	14538	61⅝	60¼	61⅛	+2⅝
NtSemi	14135	9⅝	9¼	9⅝	− ⅛
DiamS	13918	11⅛	10⅛	11	+1⅛
PanhEC	12494	43⅜	41¾	42⅝	+ ⅝
DetEd	12405	16⅜	16⅛	16⅜	+ ¼
RJR Nb	12262	52	50½	50¾	−1
PugetP	12070	23⅝	23⅛	23½	
MayDSt	9833	74	73¼	73¾	+1⅞
BorgWa	9349	37¼	35⅛	37¼	+2¼

Dow Jones Bond Averages

	Close	Ch'ge
Bonds	91.20	−0.04
Utilities	92.00	+0.40
Industrials	90.40	−0.48

Market Sales

NYSE 4 p.m. volume	132,390,000
NYSE prev. cons. close	187,954,240
Amex 4 p.m. volume	9,290,000
Amex prev. cons. close	9,830,000
OTC 4 p.m. volume	112,171,500
NYSE volume up	68,412,830
NYSE volume down	49,949,800
Amex volume up	3,898,340
Amex volume down	2,570,875

NYSE Diary

	Close	Prev.
Advanced	901	925
Declined	650	680
Unchanged	419	389
Total Issues	1970	1994
New Highs	31	53
New Lows	45	42

NYSE Index

	High	Low	Close	Ch'ge
Composite	136.48	136.15	136.20	+0.58
Industrials	155.43	155.02	155.16	+0.84
Transp.	110.27	109.99	110.07	−0.11
Utilities	74.02	73.87	73.91	+0.05
Finance	148.86	148.54	148.54	+0.41

Odd-Lot Trading in N.Y.

	Buy	Sales	*Sh'rt
July 16	308,470	519,662	24,258
July 15	426,891	623,434	25,123
July 14	278,475	524,495	3,038
July 11	256,984	424,579	44,470
July 10	251,396	575,669	143,014

*Included in the sales figures

Thursday's NYSE Closing

Via The Associated Press

Dow Jones Averages

	Open	High	Low	Last	Chg.
Indus	1778.68	1802.73	1762.09	1781.78	+ 7.60
Trans	723.38	731.63	719.00	725.13	+ 1.50
Util	200.81	203.17	198.89	200.98	+ 0.06
Comp	687.28	696.09	681.53	688.59	+ 2.09

AMEX Diary

	Close	Prev.
Advanced	265	318
Declined	295	274
Unchanged	238	233
Total Issues	798	825
New Highs	6	4
New Lows	12	24

Standard & Poor's Index

	High	Low	Close	Ch'ge
Industrials	261.79	259.77	261.10	+1.33
Transp.	184.99	183.72	184.31	−0.04
Utilities	111.69	111.14	111.47	+0.26
Finance	28.28	28.07	28.15	+0.08
Composite	236.65	235.01	236.07	+1.06

NASDAQ Index

	Close	Ch'ge	Week Ago	Year Ago
Composite	381.59	+1.56	392.03	304.88
Industrials	377.08	+2.40	390.71	312.35
Finance	528.57	+0.74	536.42	398.04
Insurance	434.59	+3.22	442.80	340.81
Utilities	347.20	+1.83	348.51	301.66
Banks	440.24	+1.76	444.81	303.46
Transp.	332.32	+0.87	352.52	277.36

NASDAQ Diary

	Close	Prev.
Advanced	1,147	1,053
Declined	937	1,048
Unchanged	2,256	2,229
Total Issues	4,340	4,330

AMEX Most Actives

	Vol.	High	Low	Last
Cansin n	5103	14⅛	14	14
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Wickes	4077	[illegible]	[illegible]	[illegible]
LorTel n	3448	27	25¾	26¾
BAT	[illegible]	6⅛	6	6⅛
WangB	2232	13⅝	12⅞	13⅛
[illegible]	[illegible]	17½	17	17½
HmHar	1754	12⅝	12⅛	12⅝
HmeSh n	1463	83½	72	82½
Lionel	1427	8⅝	8	8¼
TexAir	1334	28⅝	28⅛	28⅝
[illegible]	1216	38½	37⅛	38⅛
[illegible]	1128	13⅛	12⅞	13
Cablv n	974	19	18⅝	18⅝
Hasbro	913	52⅝	51⅛	52⅛

AMEX Stock Index

High	Low	Close
266.71	265.44	266.50

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

Shares Rise Again in New York

United Press International

NEW YORK — Shares on the New York Stock Exchange scored a gain for the second consecutive day Thursday as bargain-hunting by large and small investors boosted prices in moderate trading.

The Dow Jones industrial average, ahead more than 12 points at midafternoon, ended with a gain of 7.60 at 1781.78.

Winners outpaced losers 906-646 among the 1,957 issues traded.

Some 132,390,000 shares changed hands, compared with 160,810,000 Wednesday.

The cumulative though still modest gains of Wednesday and Thursday led some analysts to speculate that the market's 140-point slide, which began with a record 61.87-point drop July 7, might have reached a plateau.

"After a pretty significant correction, a lot of the damage has already been done," said Peter DaPuzzo, senior executive vice president at Shearson Lehman Brothers.

Mr. DaPuzzo said that the selling that has occurred since July 7 has raised the level of cash in investors' portfolios. He said bargain-hunting by both institutional and individual investors now is helping the market.

"People are taking their cash reserves and putting them back to work," he said.

Other analysts gave less weight to the recent gains.

"We're still down a whole lot [from highs reached two weeks ago]," said Charles Comer of Oppenheimer & Co.

Mr. Comer said investors are worried about a weak economy. Corporate earnings in the second quarter — particularly IBM's — have come in on the low side or even below Wall Street's expectations, he said.

LTV was the most active NYSE-listed issue, falling 2¼ to 2⅛ to after filing for protection from creditors under Chapter 11 of the federal bankruptcy laws Thursday morning.

The filing hurt other steel issues. Bethlehem Steel dropped 1 to 12⅛, USX Corp. [formerly U.S. Steel] dropped ¼ to 18⅜ and Armco eased ¼ to 7⅝.

Inland Steel fell 2 to 16⅞. Inland reported second-quarter earnings of 48 cents a share against a loss a year earlier but said it expects to post a loss in the third quarter.

IBM was the second-most active issue, falling 1⅜ to 131¾.

AT&T was third, losing ¼ to 23¾. It reported second-quarter earnings of 37 cents a share against 41 cents in the year-ago period.

American Can jumped 9½ to 85. It agreed to sell its packaging business to Triangle Industries for about $570 million in stock and cash. Triangle was up 2¾ to 24⅝.

General Motors added ⅜ to 74⅝ and General Electric rose ¼ to 75¾.

Diamond Shamrock added 1⅛ to 11. The company cut its dividend to 10 cents from 25 cents and said it would buy back 25 million common shares.

BankAmerica lost ⅝ to 13⅜ after giving up ground Wednesday when it said its losses nearly doubled to $640 million during the second quarter from $338 million a year earlier.

NOTICE OF ERROR

Concerns: NOTICE OF REDEMPTION TO THE HOLDERS OF

ECU 40.000.000
THE INDUSTRIAL BANK OF JAPAN FINANCE COMPANY N.V.
11 1/2 % Guaranteed Bonds due 1993

published July 9th, 1986

The bond serial numbers 20286 - 20385 have been misprinted.
Please read: 21286 - 21385

THE INDUSTRIAL BANK OF JAPAN FINANCE COMPANY N.V.

BY SOCIETE GENERALE ALSACIENNE DE BANQUE
15, Avenue Emile Reuter
LUXEMBOURG
THE PRINCIPAL PAYING AGENT

A

12 Month High	Low	Stock	Div.	Yld.	PE	Sls. 100s	High	Low	Close Quot.	Ch'ge
26½	13½	AAR s	.44	1.9	18	177	23⅛	22½	22⅝	+ ¼
30	21¾	ADT	.92	4.2		192	22¾	22⅛	22⅛	− ¼
33	11½	AFG s			25	720	30¾	30	30	−1
25⅝	13¾	AGS			13	168	18⅛	17½	18	+ ¼
35	9⅝	AMCA				11	11½	11½	11½	+ ⅛
60⅝	37½	AMR			10	4824	48⅝	47⅞	48⅝	+ ¾
27½	23¾	ANR pf	2.67	10.2		2	26⅝	26¼	26¼	+ ⅛
12½	8	APL			6	1	11¼	11¼	11¼	
16⅝	11⅛	ARX	.71t	6.0	11	104	11⅞	11¾	11⅞	
51	28⅝	ASA	2.00a	6.6		208	30⅝	30⅛	30½	
18⅝	10½	AVX			23	185	11¾	11	11¼	− ⅜
32	22⅝	AZP	2.72	8.8	8	1078	31¼	31	31	− ⅛
55	26⅝	AbtLb s	.84	1.7	23	2603	49⅝	48⅛	49½	+1⅜
32	19¾	AccoWd	.56	2.1	18	1206	27⅛	27	27	− ½
17	10	AcmeC	.40	3.6		34	11⅛	11	11⅛	+ ⅛
9¼	7	AcmeE	.32b	4.1	19	1	7⅝	7⅝	7⅝	+ ⅛
20¾	17	AdaEx	1.90e	9.4		104	20⅛	19⅞	20¼	+ ¼
33⅝	16	AdmMl	.40	1.3	14	6	31⅛	30⅞	30⅞	
20⅝	11¼	AdvSys	.83t	4.9	15	134	17	16⅝	17	+ ⅜
32⅞	14¼	AMD				5000	15	14½	14⅝	+ ¼
12⅝	6⅝	Adobe n				45	7	6⅞	7	
18⅝	14⅝	Adob pf	1.84	12.2		191	15⅛	14¾	15⅛	+ ⅜
20⅝	15¾	Adob pf	2.40	13.0		56	18½	18¼	18½	
18⅝	7⅛	Advest	.12a	.8	13	151	15⅝	15⅜	15⅝	
66¼	42⅝	AetnLf	2.64	4.5	11	1368	59⅛	58⅝	58⅝	− ½
57½	51½	AetL pf	4.28e	8.1		5	52⅝	52⅜	52⅝	+ ¼
29⅝	9⅝	Ahmns s	.46	1.7	9	3314	27⅛	26⅝	27	− ½
5⅝	2½	Aileen			95	32	5	4⅝	4⅝	− ⅛
41⅝	25⅝	AirPrd s	.80	2.5	13	3112	31½	31⅛	31⅜	+ ⅛
27¾	16	AirbFrt	.60	3.4	15	37	17⅝	17½	17½	+ ¼
2⅛	⅜	AlMoan	1.60c			40				
10¼	7⅛	AlaP dpf	.87	8.9		833	9⅝	9⅝	9⅝	
108	86	AlaP pf	11.00	10.3		60z	106¾	106⅝	106⅝	− ⅛
101¼	67½	AlaP pf	8.16	9.2		100z	88½	88½	88½	−1¼
90¼	68⅝	AlaP pf	8.28	9.5		10z	86⅞	86⅞	86⅞	− ⅝
26⅝	14¼	AlskAir	.16	1.1	9	540	15	14⅝	14⅝	
25	9⅝	Alberto s	.21	1.0	25	54	20½	20¼	20⅜	− ⅛
23¼	17⅝	AlbCulA	.21	1.1	24	620	19¼	18¾	19¼	+ ½
49½	26⅞	Albtsns	.84	1.9	16	289	43⅝	41½	43⅝	+1⅝
34⅝	22⅝	Alcan	.80	2.8		2888	28⅞	28⅛	28¼	− ⅛
46⅝	32	AlcoStd	1.24	3.1	18	536	40⅝	40⅛	40½	− ⅛
40⅝	26	AlexAlx	1.00	2.7		567	38⅛	37⅝	37⅝	− ⅜
47½	22⅞	Alexdr			31	4	34⅝	34½	34½	− ⅛
101	75½	AllgCp	1.54t	1.6	21	21	95⅝	95⅛	95⅝	+ ½
28½	25⅝	AlgCp pf	2.86	10.0		5	28½	28½	28½	+ ¼
25⅝	16½	AlgInt	.35t	1.8		74	19⅝	19⅝	19⅝	
20	15⅛	AlgIn pf	2.19	13.5		13	16¼	16¼	16¼	+ ⅛
97¼	78	Algl pfC	11.25	14.3		61	79⅛	78½	78½	−1
47¼	28⅛	AllgPw	2.80	6.0	12	753	47	46¾	46⅞	+ ⅛

12 Month High	Low	Stock	Div.	Yld.	PE	Sls. 100s	High	Low	Close Quot.	Ch'ge
85½	53⅝	BristM	2.20	2.7	28	3226	81⅞	79½	81¼	+2⅝
37⅛	27¾	BritPt	2.45e	7.0	7	977	35⅝	35	35⅛	+ ⅝
44	29⅝	BritTF	1.34e	4.4	12	197	30⅝	30¼	30⅝	
12½	8⅛	Brock n				358	8⅛	7⅝	7⅞	− ½
41½	24	Brckwy	1.32	3.3	15	55	40⅝	40	40	− ½
27⅝	18⅛	BkyUG s	1.62	6.4	11	89	26⅛	25⅛	25⅜	− ⅞
28½	24	BkUG pf	2.47	9.0		6	27½	27⅛	27½	− ⅛
37	27½	BkUG pf	3.95	13.6		17	29¼	28⅞	29	− ⅛
30½	20⅝	BwnSh	.40	1.5	12	37	26	25⅝	25⅞	+ ¼
43⅝	29	BrwnGp	1.44	4.0	14	264	35⅝	35	35⅝	+ ½
40⅝	24	BrwnF s	.64	1.7	22	671	37⅞	37	37⅝	+ ⅝

12 Month High	Low	Stock	Div.	Yld.	PE	Sls. 100s	High	Low	Close Quot.	Ch'ge
23	14⅛	CnnNG s	1.30	5.7	14	30	22⅝	22½	22⅝	− ⅛
18	11⅛	Conrac	.40b	2.6	14	106	15⅝	14½	15¼	+ ½
46⅝	32¼	ConsEd	2.48	5.3	11	1892	46⅝	46¼	46⅝	
60½	43	ConE pf	4.65	8.2		340z	57½	55½	57	
59	46	ConE pf	5.00	8.7		4	57¾	57	57¼	+ ⅜
34½	19¼	CnsFrt s			14	1207	29	28⅝	28⅞	+ ½
31⅞	19¼	CnsNG s	1.32	4.7	11	1016	28⅝	28	28¼	− ⅛
23⅝	4⅜	CnStor s			58	1224	16⅝	15¾	16⅜	+ ⅜
14	6½	ConsPw				1198	12¾	12	12¾	+ ¼
41½	28	CnP pfA	4.16	10.3		10z	40½	40½	40½	+1¼
44	30	CnP pfB	4.50	11.0		20z	41	41	41	

12 Month High	Low	Stock	Div.	Yld.	PE	Sls. 100s	High	Low	Close Quot.	Ch'ge
28½	14⅝	Equifx s	.62	2.4	28	273	25⅝	24⅝	25⅝	+ ⅝
7⅝	3⅝	Equimk			38	208	5⅞	5⅝	5⅝	− ⅛
49¾	33⅛	EqtRes	1.72	4.0	10	122	43½	43¼	43½	
16⅞	7⅛	Equitec	.16	1.8	12	21	8⅞	8⅝	8⅞	+ ¼
34⅝	11¼	Erbmnt	.40	1.4	22	251	29⅝	29¼	29⅝	+ ¼
27¼	19¾	EssBus	.56	1.7	19	178	32⅜	31¾	32⅜	+ ⅝
37	18⅝	EsexC s	.70	2.3	17	32	30¼	30	30⅛	− ¼
24¼	13½	Estrine	.72	5.1		147	14	13⅞	14	+ ¼
22½	10½	Ethyl s	.32	1.6	21	3014	20	19⅝	19¾	+ ⅜
56	39⅝	ExCelo	1.72	3.3	13	318	52¾	52	52½	− ½
20	16⅛	Excelsr	1.84	9.7		13	19	18⅞	19	+ ⅛

12 Month High	Low	Stock	Div.	Yld.	PE	Sls. 100s	High	Low	Close Quot.	Ch'ge
52¼	28⅛	HCA	.66	1.7	13	2297	39⅝	38¼	39¼	+ ½
23⅝	18¼	Hallin s	2.00	8.7	22	42	23	22⅞	22⅞	− ½
59⅞	34½	HoughM	1.04	1.9	20	34	54½	54¼	54½	+ ½
21⅛	12¾	HouFab	.48	2.6	26	5	18⅝	18⅝	18⅝	− ¼
47	32⅝	HousInt	1.81	4.3	11	1663	42⅜	41¾	41⅞	+ ⅜
93⅝	75⅞	HoInt pf	6.25	7.2		72	86½	85	86½	+1⅜
33⅝	25	HouInd	2.80	8.5	8	3833	32⅞	32⅝	32⅞	+ ½
18½	5⅛	HouOR	1.21e	21.0		25	5⅞	5⅝	5⅝	+ ¼
18¼	9⅛	HowlCp	.28	2.4		72	10⅝	10¼	10⅝	
15⅞	9⅝	Huffy	.40	3.0	79	134	13⅝	13½	13½	− ½
14⅝	8⅝	HughTl	.48	5.4	127	726	9	8⅝	8⅝	

12 Month High	Low	Stock	Div.	Yld.	PE	Sls. 100s	High	Low	Close Quot.	Ch'ge
52⅝	46⅝	MfrH pf	4.50e	9.2		3	49⅝	49⅝	49⅝	
8⅝	2½	vlManvl				630	3⅛	2½	2⅝	
25⅝	13½	vlMnvl pf				19	18½	18⅛	18½	
48½	33⅝	MAPCO	1.00	2.1	13	720	48⅛	47⅝	48	
14⅝	3	Marntz				94	6⅝	6⅜	6⅝	
1¼	⅜	Marcde				116	1⅛	1⅛	1⅛	
56½	30⅝	MarMid	2.04	4.1	7	196	49⅝	47⅞	49⅝	
49⅝	15⅞	Marion s	.20	.5	63	1019	41¾	40⅛	41⅛	
13½	9⅝	MarkC	.32	3.1	27	37	10⅝	9⅞	10⅛	
19¾	14¼	Mark pf	1.20	7.2		23	16⅝	16⅝	16⅝	
39	17½	Marlot s	.13	.4	34	3312	31⅞	30⅝	31⅝	
65½	33	MrshM s	1.50	2.5	24	312	60⅝	59½	60	
13⅝	8⅛	Marhin s				111	10⅝	9⅝	9⅝	
48½	31¼	MartM s	1.00	2.3	9	461	43¼	42⅝	43	
24½	15¼	Masco s	.36	1.3	22	2483	28⅝	27½	28⅜	
40⅝	28¼	MasCp	3.30	8.5		16	37⅝	37½	37½	

(Continued on next left-hand page)

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Herald INTERNATIONAL Tribune.

BUSINESS / FINANCE

FRIDAY, JULY 18, 1986

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Page 11

TECHNOLOGY

Designing Computers to Fit The Foibles of the Users

By CALVIN SIMS

New York Times Service

NEW YORK — People having computer systems designed often find they are not very good at specifying what they want the system to do or how they want it to work.

They make guesses, usually after considerable thought. But when the system is complete, they often find they want something else. They may need certain information faster, other data less quickly. Revisions can be made but they can be almost as expensive as writing a new program.

So companies such as TRW Inc. and Martin Marietta Corp. have developed systems hat allow customers to try a mockup before actual programs are written.

Most prototyping techniques do not account for the human element.

In software engineering, his practice of creating a mockup is known as rapid prototyping. Prototyping techniques were developed bout 10 years ago to reduce e time and money spent in designing commercial data processing systems.

For the most part conventional prototyping techniques do not lly account for the human element of the system — the manner which different users respond to a system and how it functions the complex relationships of the workplace.

One system that has drawn widespread attention is TRW's. In $5-million program, TRW has tried to account for the human le of designing a computer system by including a sociologist d a psychologist in its prototyping team.

"The sociologist is there to help us understand the interdynaics of the workplace — how users are organized and the otocol of the office," said Larry McLaughlin, manager of RW's office of system engineering technology. "We need the ychologist to help us understand the individual because each er responds to a system differently based on his or her psyche."

FOR EXAMPLE, Mr. McLaughlin said, there are users who think intuitively and those who think systematically. The intuitive thinker wants the computer system to produce aphs, charts and trend lines, whereas the systematic thinker nts quantitative information such as numbers, dates and aces. "We can accommodate both within the same system, it's t a matter of identifying the different preferences," Mr. cLaughlin said.

TRW has used rapid prototyping on such jobs as highly ssified military and government contracts involving space ense, remote maintenance monitors, intelligence production, a posed U.S. space station and ocean surveillance.

In one of its projects, TRW constructed a prototype for a map ker who wanted to check the accuracy of the location of ects, such as a Southern California freeway, on a satellite tograph. In using the prototype, the cartographer found eral difficulties that would have been built into the system, but e easily corrected with the prototyping tools.

For instance, the cartographer did not like the position of the nu — the choice of computer functions — on the video display minal's screen or map images in its background. So the menu moved to a more desirable position, and the image behind it blackened to make it more readable.

In addition, the cartographer was not satisfied with the resolu- on the computerized maps. TRW engineers increased the olution, showing the area in greater detail.

Then the cartographer said he had trouble reading the maps ause the satellite photographs were not always in a true north ition. Engineers altered the prototype so that the maps could displayed true north or rotated on the screen.

TRW's prototype system consists of three steps. First, the totyping staff defines what the system is intended to do and whom. Second, the staff observes the prospective users in the

See DESIGN, Page 15.

Currency Rates

es Rates

July 17

	$	£	D.M.	F.F.	It.L.	Gldr.	B.F.	S.F.	Yen
erdam	2.421	3.661	112.725 *	34.89 *	0.1641 *	—	5.462 *	138.84 *	153.95 y
els (a)	44.3225	67.0375	20.6375	6.388	3.084 *	18.31	—	25.44	28.20 *
kfurt	2.1476	3.249	—	30.955 *	1.4555 x	88.715 *	4.846 *	123.15 *	1.366 *
on (b)	1.5155	—	3.2548	10.506	2,232.80	3.4445	67.125	2.442	228.60
	1,476.40	2,230.20	687.10	212.72	—	689.75	33.303	846.50	9.39
York(c)	—	0.6614 *	2.1465	6.929	1,474.00	2.4185	44.275	1.742	156.80
	6.9388	10.50	3.231	—	4.7035 x	2.867	15.66 *	3.9825	4.4155 *
o	157.15	238.00	73.30	22.70	10.67 *	64.98	354.74 *	90.27	—
	1.744	2.6396	81.21 *	25.13 *	0.1182 *	72.015 *	3.9342 *	—	1.1161 *
	0.9913	0.6652	2.1299	6.8798	1,462.71	2.4007	43.9557	1.7286	155.807
	1.19192	0.78805	2.59977	N.Q.	N.Q.	2.8856	52.8289	2.0991	186.833

ngs in London and Zurich, fixings in other European centers. New York rates at 4 P.M. ommercial franc (b) Amounts needed to buy one pound (c) Amounts needed to buy one r (*) Units of 100 (x) Units of 1,000 (y) Units of 10,000 N.Q.: not quoted; N.A.: not available. o buy one pound: $U.S.1.512

er Dollar Values

ncy	per U.S.$	Currency	per U.S.$	Currency	per U.S.$	Currency	per U.S.$
. austral	0.86	Fin. markka	5.049	Mex. peso	618.00	Soviet ruble	0.695
ol. $	1.5815	Greek drac.	138.75	Norw. krone	7.455	Span. peseta	137.55
. schil.	15.10	Hong Kong $	7.8145	Phil. peso	20.10	Swed. krona	7.045
. fin. fr.	44.81	Indian rupee	12.05	Port. escudo	149.00	Taiwan $	38.05
. cruz.	13.77	Indo. rupiah	1,131.00	Saudi riyal	3.753	Thai baht	26.125
ian $	1.3753	Irish £	0.7205	Sing. $	2.184	Turkish lira	672.10
se yuan	3.7036	Israeli shek.	1.4823	S. Afr. rand	2.5907	UAE dirham	3.6727
h krone	8.035	Kuwaiti dinar	0.2892	S. Kor. won	881.80	Venez. boliv.	18.98
. pound	1.33	Malay. ring.	2.45				

ling: 1.0898 Irish £

s: Banque du Benelux (Brussels); Banca Commerciale Italiana (Milan); Banque Na- e de Paris (Paris); Bank of Tokyo (Tokyo); IMF (SDR); BAII (dinar, riyal, dirham); nk (ruble). Other data from Reuters and AP.

Interest Rates

ocurrency Deposits

July 17

	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	ECU	SDR
	6½-6 [illegible]	4½-4 [illegible]	4[illegible]-5	10-10⅛	7⅛-7¼	7 [illegible]-7 [illegible]	6[illegible]
s	6½-6 [illegible]	4½-4 [illegible]	4[illegible]-5	9 [illegible]-10 [illegible]	7 [illegible]-7 [illegible]	7 [illegible]-7 [illegible]	6[illegible]
s	6½-6 [illegible]	4½-4 [illegible]	4[illegible]-5	9 [illegible]-10 [illegible]	7 [illegible]-7 [illegible]	7 [illegible]-7 [illegible]	6[illegible]
s	6½-6 [illegible]	4½-4[illegible]	4 [illegible]-4 [illegible]	9 [illegible]-10	7¼-7[illegible]	7 [illegible]-7 [illegible]	6[illegible]
	6 [illegible]-6[illegible]	4 [illegible]-4 [illegible]	4 [illegible]-4 [illegible]	9 [illegible]-10	7¼-7½	7⅛-7¼	6 [illegible]

: Morgan Guaranty (dollar, DM, SF, Pound, FF); Lloyds Bank (ECU); Reuters Rates applicable to interbank deposits of $1 million minimum (or equivalent).

Money Rates July 17

tes	Close	Prev.
Rate	6	6
unds	6⅛	6½
e	8	8
an Rate	7½	7½
r 30-179 days	6.25	6.25
reasury Bills	5.74	5.76
reasury Bills	5.80	5.83
days	6.04	6.04
days	6.00	6.04
many		
Rate	5.50	5.50
t Rate	4.40	4.65
h Interbank	4.65	4.65
Interbank	4.65	4.65
Interbank	4.70	4.70
ion Rate	7	7
y	7⅛	7
th Interbank	7⅛	7⅛
Interbank	7⅛	7⅛
Interbank	7⅛	7⅛
e Rate	10	10
y	10⅜	10¼
easury Bill	9½	9½
Interbank	9 21/32	9 21/32
Rate	3½	3½
y	4⅞	4 7/16
Interbank	4 11/16	4 11/16

Reuters, Commerzbank, Credit Bank of Tokyo.

Asian Dollar Deposits

July 17

1 month	6 [illegible] - 6 [illegible]
2 months	6 [illegible] - 6 [illegible]
3 months	6 [illegible] - 6 [illegible]
6 months	6 [illegible] - 6 [illegible]
1 year	6½ - 6⅝

Source: Reuters.

U.S. Money Market Funds

July 17

Merrill Lynch Ready Assets 30 day average yield: 6.72

Telerate Interest Rate Index: 6.269

Source: Merrill Lynch, Telerate.

July 17

	A.M.	P.M.	Ch'ge
Hong Kong	348.40	347.70	— 1.05
Luxembourg	347.75	—	— 0.95
Paris (12.5 kilo)	348.70	348.73	— 0.93
Zurich	348.05	347.40	— 0.10
London	346.90	347.00	— 0.60
New York	—	348.00	+ 0.40

Luxembourg, Paris and London official fixings; Hong Kong and Zurich opening and closing prices; New York Comex current contract. All prices in U.S. $ per ounce.

Source: Reuters.

Amexco Net Leaps By 156%

First Boston Says Profit Declined

Compiled by Our Staff From Dispatches

NEW YORK — American Express Co. said Thursday that its net profit jumped 156 percent in the second quarter to a record $359.9 million, and attributed the improvement to exemplary performances by all four of its industry segments.

In a separate report, First Boston Corp., the U.S. investment banking and securities concern, said its second-quarter profit fell nearly 52 percent to $21.6 million, in a major turnaround from a strong first quarter.

American Express, a financial services and travel company, said its profit per share rose to $1.59, from 61 cents on earnings of $140.2 million in the 1985 quarter.

Revenue rose about 25 percent to $3.62 billion from $2.90 billion.

The results included an $88-million after-tax gain from the sale of nine million shares in its Fireman's Fund Corp. unit in May, the company said. American Express now holds only about 27 percent of Fireman's shares.

Net income from Travel Related Services rose 18 percent to $165 million from $139 million in the 1985 period.

Charge card volume grew 14 percent to $15.7 billion, and the number of cards in use grew 7.8 percent to 22.9 million. An increase in the annual fee for the U.S. personal card was more than offset by increased marketing expenditures, the company said.

Net profit at Amex Life Assurance Co. rose 31 percent during the quarter to $17 million from $13 million in the 1985 period.

The Shearson Lehman Brothers segment reported second-quarter net income of $60 million, up 9.7 percent from $55 million.

The American Express Bank posted a 13-percent increase in profit, citing a lower effective quarterly tax rate and strong performances in private banking, foreign exchange and treasury activities.

IDS Financial Services reported 30-percent profit growth, reflecting securities sales gains and a surge in mutual fund sales.

Revenue was up 31 percent to $7.23 billion from $5.53 billion.

First Boston said its per-share profit fell to 64 cents in the second quarter, from $1.56 on earnings of $44.8 million in the 1985 quarter. Revenue was down about 10 percent, to $240.6 million from $263.6 million.

The dismal results offset a buoyant first quarter, when profit nearly tripled to $70.4 million, and revenue doubled to $393.9 million. For the first six months, the company said, profit was up 29 percent to $91.8 million from $70.9 million, and revenue was up 39 percent to $634.5 million from $456.2 million.

(Reuters, UPI, IHT)

Treating Argentina's Old Ailment

To End Stagnation, Alfonsín Proposes Privatization

By James L. Rowe Jr.

Washington Post Service

UPI

President Raúl Alfonsín

BUENOS AIRES — A year ago, President Raúl Alfonsín administered shock treatment to Argentina's ravaged economy, imposing stiff wage and price controls to slow inflation from an annual rate of more than 1,000 percent to 50 percent today.

Now Mr. Alfonsín appears ready to tackle the country's other major economic blight: the decades-long stagnation that has brought Argentina's decline from one of the world's richest nations to a middle-income country with a huge foreign-debt burden.

But the steps Mr. Alfonsín and his major economic advisers say they want to take will require a major break with Argentina's tradition of state-centered economic policies, as well as a struggle with the interest groups that benefit from those policies.

The core of Mr. Alfonsín's plan for reforms is the sale of many state enterprises to private interests, the gradual removal of protectionist barriers that allow Argentine industry to remain high in cost and inefficient, and the deregulation of much of the rest of the economy.

A more competitive, more efficient economy in which inflation is under control should attract the investment that Argentina needs for growth, officials say.

Mr. Alfonsín, for example, is trying to lure back oil companies that were ejected from the country two decades ago. And this week, he visited Japan in an effort to attract investors to Argentina.

Skeptics, including Enrique Szewach, a respected economist, question Mr. Alfonsín's commitment to changing Argentina from an inward-looking economy to a competitive one.

Indeed, most of the moves so far appear to be symbolic. The country is not planning to sell most of its biggest and costliest public companies: communications, utilities, the railroads and petroleum. The biggest single expense item in this year's budget, for example, is the subsidy to the railroad industry.

"It is not possible politically to sell them today," said Roberto Lavagna, secretary of industry and foreign trade.

It also is unclear how much freedom the government is willing to allow potential buyers of other state enterprises, such as its steel and petrochemical operations. Many economists say that purchasers must be permitted to get rid of excess employees, to buy low-cost foreign supplies and to have foreign partners.

Even so, the money needed to buy the government companies may not be found in Argentina. In addition, economists wonder whether Argentine businesses, so accustomed to protection, government subsidies and tax breaks, are capable of operating in a competitive environment.

"In inflation there are no entrepreneurs," said Mr. Szewach, who heads the respected research institute FIEL. "It is impossible to measure efficiency when prices are rising 100 percent or more

See ARGENTINA, Page 13

French Trade Deficit Narrows 40%

Reuters

PARIS — The French government said Thursday that the merchandise trade deficit narrowed by 40 percent in June, but some analysts said that the underlying export performance, especially in the industrial sector, remained disappointing.

In a separate report, the government said unemployment fell by 0.3 percent in June, a turnaround from the average monthly rise of 0.7 percent in the previous five months of 1986.

The trade deficit, adjusted for seasonal factors, narrowed to 1.26 billion francs ($180 million) from 2.1 billion francs in May.

But the improvement resulted from a bigger surplus in the agricultural and food sector and a lower energy deficit, largely the result of falling oil costs and the weaker dollar, the government said.

The surplus on industrial trade contracted to 1.7 billion francs from 2.4 billion francs in May, and was well below last year's monthly average of 6.9 billion francs.

"This is the crucial challenge for the government — they're not improving their competitivity," said Paul Horne, a senior analyst for Smith Barney Harris Upham & Co.

Trade Minister Michel Noir has singled out the declining industrial surplus as a major cause for concern. Mr. Horne said that French manufacturers were not investing enough in competitive technology and had excessive labor costs.

Imports rose to a seasonally adjusted 73.4 billion francs, up 3.5 percent from May, while exports rose 4.8 percent to 72.1 billion francs.

The jobless figures published Thursday showed that seasonally adjusted unemployment fell to 2.44 million last month, or just over 10 percent of the work force, from 2.45 million in May.

Jardine, in Major Step, Restructures Its Assets

By Patrick Smith

International Herald Tribune

HONG KONG — A restructuring of assets at Jardine Matheson & Co. this week marks a significant step in the British trading house's effort to withdraw from Hong Kong, according to analysts and executives in the Jardine group.

The company's new plans, disclosed by Simon Keswick, Jardine's chairman, follow several months of speculation about a reorganization of Jardine's principal investments.

Mr. Keswick, who is also chairman of Hong Kong Land Co., announced Monday that Dairy Farm Co., one of Hong Kong Land's three operating subsidiaries, would be separated from its parent and sold to shareholders in the Land group.

David Davies, the managing director of Hong Kong Land, announced his resignation on the same occasion. Mr. Davies, who has headed Hong Kong's largest property company since mid-1983, is credited with reviving it from a position of near-insolvency.

The plan will make Jardine, which has a 36-percent interest in Hong Kong Land, the largest shareholder in the newly independent company. The share offer is to be "approximately equal to Dairy Farm's book value," Mr. Keswick said.

"In effect, Jardine is gaining direct control of a very profitable company without paying a premium for it," said Carlton Poon, research director at Vickers da Costa & Co.

In explaining the proposal, Mr. Keswick emphasized that Dairy Farm, a food producer and retailer, is better placed as part of the Jardine trading empire than as a division of a property and hotels concern.

"Dairy Farm is a goodwill business embedded in an asset business," Mr. Keswick said in an interview Thursday. "Jardine has a great deal of experience in both marketing and distribution."

But executives associated with the company acknowledge that taking control of Dairy Farm is part of Jardine's long-term strategy to reduce its exposure to property and other fixed investments in Hong Kong.

Jardine, the most prominent of the territory's old-line British trading houses, or "hongs," announced in 1984 that it would shift corporate headquarters to Bermuda.

The move prompted continuing speculation that Jardine is preparing to "run down its local operations," as one financial analyst said, in view of China's assumption of sovereignty over Hong Kong in 1997.

A key part of this strategy appears to be the sale of Jardine's

See JARDINE, Page 13.

Unemployment In Britain Rises

Reuters

LONDON — Unemployment in Britain rose a seasonally adjusted 15,000 in June to a provisional total of 3.22 million, or 13.1 percent of the adult work force, the Employment Department said Thursday.

In May, unemployment rose 5,200. The May increase had originally been provisionally put at 5,600.

The unadjusted jobless total, including school leavers, fell 42,000 in June to 3.23 million, but was 51,000 higher than in June last year. Seasonally adjusted, unemployment totaled 3.12 million in June 1985. In the recent data the government included self-employed for the first time, giving a broader work force base for calculating the jobless rate.

AT&T Net Falls 8.5% in Quarter; ITT's Rises 35%

Compiled by Our Staff From Dispatches

NEW YORK — American Telephone & Telegraph Co.'s earnings, hurt by a 26-day strike by communications workers, fell 8.5 percent in the second quarter, the company reported Thursday.

ITT Corp., meanwhile, said its second-quarter profit jumped 35 percent to $159.6 million.

AT&T, the world's largest telecommunications company, said it earned $422 million, or 37 cents a share in the April-to-June period, compared with $461 million, or 41 cents a share, a year earlier.

Revenue for the quarter fell 1.6 percent to $8.42 billion from $8.56 billion a year earlier.

For the first half of 1986, AT&T said it posted profits of $952 million, a 16.8-percent increase over profits of $815 million in the first half of 1985. Earnings per share rose to 84 cents from 72 cents a year earlier. Revenue rose 1.6 percent to $17.13 billion from $16.87 billion.

AT&T said the strike reduced its profit by as much as $140 million, or 13 cents a share, but that "a portion" of that sum is expected to be recouped in the course of business as the year unfolds.

About 155,000 long-distance operators, installers and factory workers belonging to the Communications Workers of America struck AT&T on June 1. They returned to work June 27.

ATT's chairman, Charles Brown, described the company's long-distance business as "robust" and said that sales of switching equipment to the telephone industry remained at targeted levels.

He said the market for equipment installed on the premises of businesses, however, was "decidedly soft, reflecting conditions throughout the industry."

ITT, the huge financial services and industrial conglomerate, said its profit per share came to $1.05 for the second quarter. In the 1985 period, net earnings were $118 million, or 78 cents a share.

Total sales rose 23 percent to $5.9 billion from $4.8 billion.

Revenues from its insurance and finance sector rose 31 percent to $2.5 billion. The results posted by the company's diversified services group also were significantly improved over the 1985 period.

But the Sheraton hotel group suffered from a loss on the sale of a hotel facility and lower occupancy rates, principally in North America, ITT said. Income from the telecommunications sector also declined primarily because of poor returns from Nigerian telecommunications contracts.

Industrial technology earnings continued to be strong, the company said, aided by improved results in automotive products and more foreign exchange rates with the decline of the dollar.

For the first half ended June 30, ITT said profit rose 15 percent to $266 million, or $1.75 a share, from $231.3 million, or $1.53.

Sales were up 22 percent to $11.2 billion from $9.2 billion.

(AP, Reuters)

Housing Starts Decline in U.S.

Compiled by Our Staff From Dispatches

WASHINGTON — Housing starts declined 0.8 percent in June, the second consecutive monthly decline, but construction for the first half of 1986 still remained ahead of last year's pace, the U.S. government said Thursday.

The Commerce Department said that new homes and apartments were built at an annual rate of 1.85 million units last month after a decline of 7.9 percent in May. Even with the two consecutive setbacks, however, housing construction for the first half of the year is running 9 percent ahead of the pace in 1985.

The decline in the June construction rate was attributed to a 1.9-percent fall in construction of single-family homes to an annual rate of 1.22 million units, compared to a revised rate of 1,247,000 in May.

(AP, UPI)

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Thursday's NYSE Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

(Continued)

12 Month High	Low	Stock	Div.	Yld.	PE	Sls. 100s	High	Low	Close Quot.	Ch'ge
94	66¼	OhP pfD	7.76	9.2		1810z	84	82	84	+2
34½	21½	OklaGE	2.08	6.1	15	406	34⅛	33⅝	34	+⅜
11	8	OklaG pf	.80	7.6		180z	11	10½	10½	
53¼	29⅝	Olin	1.50	3.4		2572	46⅛	43½	43⅝	−2⅝
9	5½	Omncre			34	172	7½	7¼	7⅜	+⅛
18⅝	12½	Oneida	.80	5.1	39	86	15⅝	15⅝	15⅝	−½
32¾	27¼	ONEOK	2.56	8.3	12	376	30⅞	30⅝	30⅞	+⅛
37	24⅝	OranRk	2.18	6.1	13	87	36¼	35⅞	36	
11	6¼	Orange				48	7¼	7⅛	7⅛	
40¼	23⅝	OrionC	.76	2.2		227	35½	35	35	−¼
34¼	23	OrionC pf	1.12	7.0		38	30⅞	30⅝	30⅝	−½
18⅛	9	OrionP				956	14⅛	13⅞	13⅞	−¼
11½	7	Orion pf	.50	5.2		5	9⅝	9⅝	9⅝	+⅛
39½	26½	Orion pf	2.75	9.0		706	31⅛	30½	30½	−⅜
38½	20½	OutbdM	.64	2.1	20	1048	31½	31	31⅛	+⅛
36	15½	OvrnT s	.48	1.5	22	400	33	31¾	32⅝	+⅜
30¼	13	OvShip	.50	1.9	22	188	26⅛	25⅝	25⅝	−¾
56¾	32⅝	OwenC	1.40	2.8	10	535	49⅞	49⅛	49¼	
40⅝	22⅝	OwnIll s	.95	2.6	12	1540	36⅛	35⅛	35⅝	
18⅝	11¾	Oxford	.46	2.8	17	110	16¼	16	16¼	+⅛

P

12 Month High	Low	Stock	Div.	Yld.	PE	Sls. 100s	High	Low	Close Quot.	Ch'ge
41	29¾	PHH	1.04	3.3	13	83	31¾	31½	31¾	
69½	42¾	PPG	1.92	3.1	13	1410	61⅝	60	61⅛	+1
34½	20¾	PSA	.60	2.2	12	299	27⅞	27⅛	27⅝	
16¾	13½	PacAS	1.54	9.7		66	16	15⅞	15⅞	−⅛
25⅛	17¾	PacGE	1.92	7.7	9	8672	25¼	24⅝	24⅞	−½
57½	39⅝	PacLtg	3.48	7.3	73	285	47⅝	47¼	47⅝	−¼
17⅛	8⅝	PacRes			17	58	15⅛	15⅛	15⅛	−⅜
26	16⅛	PacRs pf	2.00	8.7		83	23⅛	22⅞	23	−1
17⅜	12⅝	PacSci	.40	2.9	14	3	14	14	14	
57⅛	34	PacTel s	3.04	5.5	12	3351	55⅝	54½	55⅛	+⅜
36⅞	27	Pacifcp	2.40	6.8	11	1962	35⅝	35	35⅜	+½
44⅝	25¼	PainWb	.60	1.7	12	711	35⅝	34⅞	34⅞	
35	25⅝	PainW pf	2.25	7.3		124	30⅞	30⅝	30¾	+⅜
9½	5½	PanAm			16	6144	6½	6	6¼	+⅛
4	2⅛	PanA wt				41	2⅝	2¼	2⅛	
24⅞	13¾	Pandck n	.20	1.3	13	305	15½	15	15½	+½
50¼	32⅜	PanhEC	2.30	5.4	17	12494	43⅜	41⅝	42⅝	+⅜
28⅛	21½	Panill n				443	24¼	23⅝	24⅛	+⅛
36	17½	Parsph			16	195	28	27¼	27⅜	+½
13⅝	5⅜	Pardyn				114	7⅛	6⅞	7	+⅛
18⅞	12¼	ParkEl	.12	.8	16	24	14¼	14⅛	14¼	+⅛
5⅛	3⅜	ParkDrl	.08	2.4		511	3½	3⅜	3⅜	−⅛
30½	20⅝	ParkH s		8.0	12	526	23⅞	23	23½	+⅜
4⅜	3¼	PatPtr s				1	3¼	3¼	3¼	−⅛
19⅞	11⅛	PayNP	.64	4.3	16	301	15	14⅞	15	+⅛
27½	13½	PayCsh	.16	.7	20	1077	23⅛	22⅝	23	+⅛

12 Month High	Low	Stock	Div.	Yld.	PE	Sls. 100s	High	Low	Close Quot.	Ch'ge
19⅞	16	SoulRE	.20	1.1	47	12	18⅝	18⅜	18⅝	+⅛
35¼	18¾	SavEIP	1.76	5.1	11	29	35½	34⅝	34¾	−½
13½	11	SavE pf	1.28	9.7		6	13⅛	13	13⅛	
8⅜	3	Savin				96	3¼	3⅛	3⅛	
39⅛	23⅝	SCANA	2.24	5.8	14	1030	39	38¼	38⅝	−⅛
88	45	SchrPlo	1.80	2.2	21	3824	84	80⅝	83	+2⅝
39⅝	29	Schlmb	1.20	3.9	46	6573	31⅛	30⅝	30¾	−⅝
14⅞	9	SciAll	.12	1.3	16	305	9⅝	9¼	9⅜	−⅛
63¼	39⅝	ScottP	1.24	2.3	10	1126	54¼	53⅝	53½	
18⅛	12⅝	Scottys	.52	3.3	15	95	15⅝	14⅞	15¾	+⅞
42¼	22⅝	SeaCnt	.42	1.8	9	146	23¼	22⅝	23⅛	+¼
13⅝	11⅞	SeaCl pf	1.46	10.8		35	13½	13¼	13½	
16⅞	15¼	SeaC pfB	2.10	13.4		20	16	15⅝	15⅝	
17	15	SeaC pfC	2.10	13.2		23	16	15⅝	15⅞	+⅛
30¼	18⅛	SeaLnd	.48	1.7		44	27⅞	27¼	27¼	
5⅛	1⅛	SeaCo				20	2⅜	2⅜	2⅜	
64	37⅝	Seagrm	1.00	1.7	14	761	57⅝	57¼	57½	
19⅞	12⅝	Seagul				42	13⅛	13⅛	13⅛	+⅛
43¾	27½	SealAir	.48	1.4	18	204	35½	35⅛	35¼	+¼
31¼	23½	SealPw	1.10	4.1	12	98	28⅛	26⅞	26⅞	−1¼
50⅝	31⅝	Sears	1.76	4.1	12	7056	43	42⅛	42⅝	+½
40¼	24⅞	SecPac	1.48	4.2	8	1733	35⅝	35	35	
37⅛	23¾	SvcCp s	.40	1.2	22	303	32¾	32⅛	32¾	+⅜
13⅝	3⅜	SvcRes				29	12⅝	11⅞	11⅞	−½
23½	13⅛	Shaklee	.72	3.4	17	203	21¼	20⅞	21	−⅛
23⅝	9¼	Shawin s				421	19½	19¼	19¼	−¼
49⅛	35½	ShellT	2.90e	6.1	9	2721	48⅜	47½	47⅝	+⅜
32¼	14⅝	Shrwin s	.50	2.0	15	4175	25⅝	24½	24⅝	−⅜
12	6⅛	Shoetwn			10	338	8	7⅛	7⅛	−⅛
22¾	12	Showbt	.60	3.3	17	43	18	17⅞	18	
25	17	SierPac	1.72	7.1	14	210	24⅛	24⅛	24⅛	+½
38½	23⅝	Signet	1.24	3.4	11	661	36⅛	35¼	36⅛	+1⅛
59⅝	33⅛	Singer	.40	.7	16	278	53⅞	53¼	53⅞	+½
40⅞	31½	Singr pf	3.50	9.0		11	38⅝	37⅞	38⅝	+⅜
21	12⅞	Skyline	.48	3.2	16	43	15	14⅝	14⅝	−⅛
32	20½	Slattery				1	20⅝	20⅝	20⅝	−⅛
9¼	1¼	vlSmith	.081			102	3¼	3⅛	3⅛	
105⅝	63⅝	SmkB	3.00	3.2	15	3237	93⅝	92½	93¼	+1¼
51¾	31¾	Smckr s	.60	1.5	18	116	39⅝	37⅞	39⅛	+1⅞
59⅜	33⅛	SnapOn	1.16	2.2	18	179	54½	53⅝	53⅞	−⅛
29⅝	16⅜	SnpO wi				3	27⅛	27¼	27¼	
15⅝	9⅝	Snyder	1.50	14.3		71	10⅝	10½	10½	
37⅛	25⅞	Sonat	2.00	7.9		1326	26	25¼	25⅜	−½
23⅝	14¼	SonyCp	.20e	1.1	12	3170	18⅜	18⅛	18⅛	−¼
38⅜	25⅛	SooLin	1.20	4.2		11	28⅝	28⅜	28⅜	−⅛
45⅛	36⅛	SourcC	3.40	8.2		78	41⅝	41½	41⅝	
27⅜	21¾	SrcCp pf	2.40	8.8		13	27¼	27⅛	27⅛	−⅛
39⅛	25⅛	SoJerIn	2.52	7.0	13	24	36	36	36	−⅛
47⅜	28⅛	Soudwn	1.00b	3.2	11	51	31½	31¼	31¼	
45⅛	28⅛	SoetBk	1.20	2.7	11	80	44⅝	44⅛	44⅛	−⅛
9	3	SoetPS	2.13t	53.0	23	212	4	3½	3⅞	
33⅝	22¼	SCalEd	2.28	7.0	10	5853	33	32¼	32⅝	−⅛
25	18⅞	SouthCo	2.04	8.3	8	5246	24⅝	24½	24½	−¼
39½	22⅞	SoIndGs	1.96	5.0	13	63	39½	39	39	−⅛
55¼	37	SNETl	2.80	5.1	14	228	55⅝	55	55	−⅜
51¾	37⅛	SoNE pf	3.82	7.7		7	49⅝	49½	49⅝	+¼
31¾	25⅜	SoRy pf	2.60	8.3		2	31½	31½	31½	+¼
29⅝	12⅝	SoUnCo	1.72	14.0	13	890	12⅝	12¼	12¼	−½
56⅞	33⅝	SouInd	1.12	2.1	21	3729	53⅞	52½	52⅞	−⅜
76	49½	SoutId pf	4.00	5.6		21	71⅛	70½	70⅞	+⅞
14	5⅛	Soumrk	.24b	2.4	6	385	10¼	9⅞	10⅛	+⅛
51¾	45½	Somk pf	6.02e	13.1		3	46	45½	46	+⅛
31	18⅛	SwAirl	.13	.7	14	2021	19⅝	19	19⅝	+¼
15⅞	9⅞	SwtFor				318	12⅝	12⅛	12⅝	+½
20⅛	15½	SwtGas	1.28	6.8	11	102	18⅝	18⅜	18⅝	+⅛
109⅜	75½	SwBell	6.40	6.3	11	1828	102⅝	101⅛	102¼	+1¼
28⅝	16¼	SwEnr	.52	2.8	8	8	18⅝	18⅛	18⅛	−⅛
34¼	22	SwtPS	2.02	5.9	14	357	34⅝	33⅞	34¼	+¼
20¼	12⅞	Sparton	.52	3.2	406	22	16¼	15⅞	16¼	+¼
29⅞	18½	SpectP			89	125	26½	25⅞	25⅞	−½
76	45½	Sperry	1.92	2.5	92	435	75⅞	75¼	75⅝	+⅛
56⅞	32½	Springs	1.52	3.2	29	90	47⅛	46¼	47½	+½
50	35⅝	SquarD	1.84	4.5	14	886	41⅝	40½	40½	−⅞
116⅝	65⅝	Squibb	2.00	1.7	26	1957	116	111⅝	116	+4½
28⅛	19½	Staley	.80	3.1		1151	26¼	25⅞	25⅞	−⅛
25⅜	18⅜	StBPnt	.58	2.6	18	556	22⅝	22	22⅝	
20⅛	10⅛	StMotr	.32	1.8	19	200	17⅞	17⅛	17⅞	
55⅛	40⅛	StdOil	2.80	6.8	44	1361	41⅞	40⅞	41⅛	
75	70⅛	StOil pf	3.75	5.3		10z	70⅛	70⅛	70⅛	
33⅛	10⅛	StPac s			14	1020	28⅛	26⅞	27½	+1
33½	12⅝	StdPrd s	.64	2.0	12	114	32	31⅛	32	+⅛
16⅞	12⅛	Standex	.52	3.4	13	121	15⅛	15⅛	15⅛	
46⅛	27⅝	StanWk	1.04	2.8	13	496	37	36½	36⅞	+⅜
12⅛	10¼	StaMSe	1.20	9.9		48	12⅛	12	12⅛	+⅛
3½	2½	Steego	.081	2.7	100	12	3	3	3	
16⅞	10¼	StrlBcp	.80	5.4	11	100	15¼	14⅞	14⅞	−⅛
49	29⅛	SterlDg	1.32	2.8	26	2953	47⅜	46⅝	47	+½
37⅛	20⅝	StevnJ	1.20	3.6		258	33¼	32⅞	33⅛	+⅛
31½	25½	StwWrn	1.68	6.0	21	24	27⅞	27⅝	27⅝	+¼
14	10⅞	StkVC pf	1.00	7.7		500z	13	12⅞	13	
58¼	39	StoneW	1.60	3.3	12	21	48⅛	48⅛	48⅛	
50	25	StoneC	.60	1.4		477	43⅝	42¼	43⅛	+⅜

12 Month High	Low	Stock	Div.	Yld.	PE	Sls. 100s	High	Low	Close Quot.	Ch'ge
12⅜	3	vlTowle				151	3⅝	3½	3⅝	+⅛
7⅛	1⅛	vlTwle pf				3	2⅜	2⅜	2⅜	+⅛
34½	21	ToyRU s			36	2981	31⅛	30⅝	30⅞	+⅜
24⅛	16	Tracor	.36	1.7	36	289	21⅝	21⅛	21½	+½
15⅝	12½	Traml n	1.40	9.9		223	14⅝	14	14⅛	+⅛
23	12⅝	TWA				88	14⅝	14⅛	14⅛	
16	9	TWA pf	2.25	14.8		48	15¼	15⅛	15¼	+⅛
40⅛	26⅝	Transm	1.68	4.7	17	1441	36⅛	35⅝	36	+½
26	20	TranInc	2.28	8.9		59	25⅞	25⅝	25½	
15	11½	TARlty	1.00	7.0		29	14¼	14¼	14¼	+⅛
20⅜	11⅛	TrnCda g	1.12			10	12	12	12	−⅛
19⅝	8⅝	Transcp			6	57	15⅝	15½	15⅝	
63⅛	41½	Transco	6.06e	14.0	101	1338	43⅝	42⅝	43¼	+½
59	50⅛	Trnsc pf	4.75	9.1		1	52	52	52	
22	15⅛	TranEx	1.18l			367	16⅝	16⅛	16⅛	+¼
11⅝	5⅝	Transcn			19	250	8⅝	8⅝	8⅝	+⅛
104	98⅝	TrG pf	10.32	10.2		90z	101	99⅝	101	+½
26½	24¼	TrGP pf	2.50	9.8		21	25½	25½	25½	

12 Month High	Low	Stock	Div.	Yld.	PE	Sls. 100s	High	Low	Close Quot.	Ch'ge
14	10	WolvrW	.12l		21	32	10⅝	10⅛	10¼	
49	21⅞	Wlwth s	1.12	2.7	14	1381	43⅝	41⅞	42¼	−⅛
137	63	Wolw pf	2.20	1.9		1	118	118	118	−2
5⅝	3	WrldAr				69	4⅝	4½	4⅝	+⅛
46½	24¼	Wrigly s	.96	2.3	20	330	42	39⅝	42	+2⅜
4⅛	2⅛	Wurltzr				39	2⅜	2⅛	2⅛	−⅛
17½	10½	WyleLb	.32	2.8	36	13	11½	11½	11½	
25⅜	15	Wynns	.60	2.6		101	23	22⅝	22⅝	

X

12 Month High	Low	Stock	Div.	Yld.	PE	Sls. 100s	High	Low	Close Quot.	Ch'ge
72¼	45⅛	Xerox	3.00	6.0	12	3713	51⅛	50⅛	50¼	−⅛
58¼	53½	Xerox pf	5.45	9.7		29	56¼	56	56¼	+⅛
28⅜	20⅝	XTRA	.64	2.8		83	23⅛	22¾	22⅞	−⅛

Y

12 Month High	Low	Stock	Div.	Yld.	PE	Sls. 100s	High	Low	Close Quot.	Ch'ge
17⅝	13½	Yorkln n				959	15⅝	15⅜	15½	

Z

12 Month High	Low	Stock	Div.	Yld.	PE	Sls. 100s	High	Low	Close Quot.	Ch'ge
39	26¼	ZaleCp	1.32	3.6		187	36⅝	36⅛	36½	−¼
10¼	3½	Zapata	.031			768	4⅛	4⅛	4⅛	−⅛
43⅝	23⅛	Zayre s	.32	.9	23	815	37⅛	36⅞	37	+⅛
29⅜	16¼	ZenithE				339	23⅝	23	23¼	+⅛
18⅝	8⅝	ZenLb s			17	1688	12⅝	12½	12⅝	+⅛
22⅛	14⅜	Zero s	.29	1.8	16	18	16⅛	16⅛	16¼	+⅛
45⅝	33	Zurnin	1.32	3.8	12	205	35⅛	35	35	−¼

West German Surplus Is Expected to Widen

Reuters

FRANKFURT — This year's sharp fall in the oil price in Deutsche mark terms will lead to a clear widening in 1986 of West Germany's current account surplus, which would otherwise have narrowed, the Bundesbank said Thursday in its July monthly report.

Outside the energy sector, factors are at work that already point to a correction in the surplus. They include "secondary effects" on both imports and exports from the oil price drop.

West Germany had a record current account surplus of 39.8 billion DM ($18.5 billion) in 1985, and a record trade surplus of 74.4 billion DM, latest Bundesbank figures show. The current account measures a country's trade in goods and services as well as interest, dividends and certain transfers.

Spending on energy imports totaled 95 billion DM in 1985 or 5.2 percent of gross national product, 3.5 percentage points more than in 1972, the Bundesbank said.

In 1986 energy import spending will fall considerably but still remain above the level in 1972, the last year before the first oil price shock.

In the first five months of this year energy spending was 35 percent below the same 1985 period, despite a 10-percent rise in energy imports by volume. But over the whole year the decline in prices should become more noticeable, as oil import prices were still relatively high in the early part of this year.

The bulk of cuts in gas import prices normally occurs in the second half of the year, and the strong increase in energy imports by volume in the early part of the year should result in more moderate demand later this year, the Bundesbank said.

Assuming the oil price in dollar terms holds at for the rest of the year at its mid-1986 level, and the dollar/mark rate does not fluctuate sharply, West Germany's energy import bill this year should fall to around 50 billion DM, or 2.5 percent of GNP, the total output of West Germany's goods and services, including the real rise in energy imports.

West Germany's energy trade deficit, taking into account energy exports, will be halved to some 40 billion DM.

NYSE Highs-Lows

NEW HIGHS 31

Amer Can
CBI Ind
GoldWstFn s
IpalcoEnt
MinnPL s
PhEl 775pf
RancoInc
UtahPL
AmCan 3pf
CenHud Gas
INA InvSec
KanGasEl
NevadaPwr
PortGenCp
RobshwCon
WiscEP
AmFamily s
CommwthEngy
ImpCpAm
Kentcky Ut
NevadPw wi
Patom Elec
Sweet PSvc
Wis PubSv
BaltGE s
GTE pf
Interst Pw
Louisv GE
Noeast Util
PugSdPL
TolEd 347pf

NEW LOWS 45

Asarco Inc
vlBakerInd p
BethSt 250p
Coopvsn
GouldInc
Interfst
vlLTV Cp
LTV 525pf
MooreMc pf
ReadngBat
TexAmBnch
ValeroEnr
BaldorElec
Bell Indust
BrockHtl n
DataDesign
GHSU dep pf
Ipco Corp
vlLTVCp AA
LTV 125pf
NII
Sonat
TexComBn
BankAm adj p
Berkey Inc
CdnPac s
DeclsCap n
HughesTl
Kidde prB
vlLTVCp plA
McLean n
NIMineSv
SouUnCo
Trchmk adj p
BeatTr plA
Beth Steel
Coleco
EGG Inc
Inland Stl
Kidde pfC
LTV 306pf
MooreMc
NobleAffl
SunEngy n
USX Corp

GM Study Seeks to Cut Car Costs by $1,800

Compiled by Our Staff From Dispatches

DETROIT — General Motors Corp. has begun a project to reduce the cost of building cars an average of $1,800 each in an effort to improve its position in the increasingly competitive U.S. market, its executive vice-president, Lloyd Reuss, said Thursday.

Mr. Reuss, who heads the company's North American car group, also said in an internal GM publication that the reorganization of some engineering operations of the world's biggest automaker is going "much slower than anticipated." GM now offers more car models than it should, he said.

The company also announced Thursday that it had approved plans for a front-wheel drive, plastic-body minivan to be marketed by its Pontiac and Chevrolet divisions by the end of the decade. *(Reuters, AP)*

U.S. Futures

Via The Associated Press

July 17

Grains

WHEAT (CBT)
5,000 bu minimum- dollars per bushel

Season High	Season Low		Open	High	Low	Close	Chg.
3.10	2.47	Jul	2.71	2.75	2.71	2.71½	−.02½
2.99	2.39	Sep	2.63	2.65	2.59¾	2.59¾	−.05
3.09	2.44	Dec	2.66½	2.68½	2.62½	2.63	−.05¼
3.08	2.43½	Mar	2.62	2.65	2.59½	2.60	−.03½
3.00	2.33¼	May	2.47	2.50	2.44	2.44	−.04½
2.50	2.22¼	Jul	2.37	2.38¼	2.33½	2.33½	−.04¼

Est. Sales Prev. Sales 14,977
Prev. Day Open Int. 34,259 up 1,084

CORN (CBT)
5,000 bu minimum- dollars per bushel

Season High	Season Low		Open	High	Low	Close	Chg.
2.86	1.91	Jul	2.15	2.16½	2.11	2.14½	+.01
2.79	1.70½	Sep	1.78¾	1.79¼	1.75½	1.75¾	−.04
2.35½	1.71½	Dec	1.80	1.80½	1.77	1.77¼	−.04¼
2.42½	1.82	Mar	1.90¼	1.90½	1.86¾	1.87	−.03¾
2.42	1.86¾	May	1.95	1.95½	1.93	1.93¼	−.03
2.27	1.88¾	Jul	1.97	1.97½	1.94¾	1.94¾	−.03¾
2.01½	1.83	Sep	1.90	1.90¼	1.88½	1.88½	−.02

Est. Sales Prev. Sales 33,931
Prev. Day Open Int. 116,348 up 2,439

SOYBEANS (CBT)
5,000 bu minimum- dollars per bushel

Season High	Season Low		Open	High	Low	Close	Chg.
6.58	4.97	Jul	5.43½	5.49¾	5.43	5.45½	+.00¾
6.09	4.98½	Aug	5.24	5.26¾	5.21	5.21¼	−.06¼
5.55½	4.84	Sep	5.16	5.16½	5.09½	5.09½	−.07½
5.56½	4.79½	Nov	5.14½	5.16½	5.08	5.08¼	−.07¼
5.65	4.88	Jan	5.24	5.24¾	5.16½	5.17¼	−.07¼
5.76	4.97½	Mar	5.33	5.33½	5.26	5.27½	−.07
5.74	5.04½	May	5.39	5.40½	5.33	5.33	−.07½
5.77½	5.06½	Jul	5.41½	5.43	5.36	5.36	−.07
5.40	5.06	Aug	5.35	5.35	5.33	5.33	−.07

Est. Sales Prev. Sales 53,222
Prev. Day Open Int. 61,026 up 1,043

SOYBEAN MEAL (CBT)
100 tons- dollars per ton

Season High	Season Low		Open	High	Low	Close	Chg.
167.00	134.00	Jul	156.90	158.00	156.50	157.00	+.30
163.50	135.50	Aug	151.00	151.10	149.60	150.40	−.50
160.50	137.50	Sep	149.50	149.50	147.60	148.20	−.80
162.10	134.00	Oct	148.40	149.00	147.00	147.30	−1.90
162.10	136.00	Dec	150.40	151.00	148.80	149.20	−1.70
163.10	136.00	Jan	151.50	152.20	150.10	150.10	−2.10
163.10	143.00	Mar	153.50	154.50	153.00	153.70	−1.00
169.70	143.00	May	156.50	156.50	155.00	155.10	−.90
157.50	146.10	Jul	157.00	157.50	156.50	156.50	−1.50
148.00	147.00	Aug				156.50	−1.70

Est. Sales Prev. Sales 32,572
Prev. Day Open Int. 53,679 off 118

SOYBEAN OIL (CBT)
60,000 lbs- dollars per 100 lbs.

Season High	Season Low		Open	High	Low	Close	Chg.
25.25	15.98	Jul	16.75	16.78	16.45	16.45	−.40
25.15	16.02	Aug	16.80	16.82	16.41	16.42	−.41
24.05	16.17	Sep	16.95	16.96	16.35	99.28	+82.13
22.80	16.27	Oct	17.07	17.10	16.70	16.70	−.67
22.50	16.45	Dec	17.55	17.60	17.30	17.31	−.41
22.35	16.85	Jan	17.70	17.73	17.35	17.36	−.50
20.25	17.20	Mar	18.00	18.05	17.70	17.70	−.40
20.90	17.51	May	18.25	18.25	18.00	18.05	−.35
18.70	17.76	Jul	18.45	18.45	18.20	18.20	−.45
18.00	17.73	Aug	18.40	18.40	17.95	17.95	−.45

Est. Sales Prev. Sales 26,464
Prev. Day Open Int. 63,762 off 1,907

Livestock

CATTLE (CME)
40,000 lbs.- cents per lb.

Season High	Season Low		Open	High	Low	Close	Chg.
61.75	49.85	Aug	57.25	57.40	55.50	55.55	−1.37
60.60	49.45	Oct	57.10	57.40	56.25	56.40	−.42
61.75	51.60	Dec	57.70	58.10	57.00	57.05	−.50
60.50	51.70	Feb	56.30	56.55	55.80	55.97	−.20
59.00	53.30	Apr	57.30	57.60	56.75	56.95	−.37
58.60	54.25	Jun	57.80	57.80	57.20	57.42	−.28

Est. Sales 22,041 Prev. Sales 28,683
Prev. Day Open Int. 65,082 up 1,125

Season High	Season Low		Open	High	Low	Close	Chg.
287.10	138.00	Dec	192.50	194.25	188.10	188.75	−.30
290.25	154.75	Mar	195.00	196.50	189.50	189.73	−1.52
291.83	169.95	May	198.50	198.50	196.00	192.00	−2.07
266.25	178.50	Jul				194.63	−1.75
255.00	193.35	Sep	200.00	200.00	200.00	197.23	−1.87
		Dec				194.00	−3.81

Est. Sales 4,344 Prev. Sales 33,764
Prev. Day Open Int. 15,963 off 2

SUGAR WORLD 11 (NYCSCE)
112,000 lbs.- cents per lb.

Season High	Season Low		Open	High	Low	Close	Chg.
9.42	4.05	Sep	5.08	5.70	5.08	5.69	+.61
9.40	4.02	Oct	5.52	6.01	5.52	5.94	+.49
9.50	5.52	Jan	5.60	5.91	5.60	5.90	+.35
9.64	6.03	Mar	6.32	6.70	6.32	6.55	+.30
9.82	6.35	May	6.51	6.83	6.51	6.70	+.36
9.92	6.50	Jul	6.68	6.96	6.68	6.89	+.38
		Sep				6.85	+.22
9.40	6.44	Oct	6.90	7.15	6.90	7.05	+.16

Est. Sales 18,000 Prev. Sales 9,288
Prev. Day Open Int. 84,911 off 570

COCOA (NYCSCE)
10 metric tons- $ per ton

Season High	Season Low		Open	High	Low	Close	Chg.
2429	1648	Jul				1850	+94
2430	1712	Sep	1875	1898	1873	1896	+33
2425	1776	Dec	1930	1945	1925	1942	+25
2385	1825	Mar	1971	1985	1971	1984	+22
2184	1863	May	2000	2007	2000	2002	+21
2200	1875	Jul	2020	2020	2020	2031	+21
2065	1904	Sep	2040	2040	2040	2049	+21
2105	2060	Dec				2083	+21

Est. Sales 1,993 Prev. Sales 4,013
Prev. Day Open Int. 23,268 up 194

ORANGE JUICE (NYCE)
15,000 lbs.- cents per lb.

Season High	Season Low		Open	High	Low	Close	Chg.
157.50	83.50	Jul	102.00	102.00	101.50	101.40	−.40
127.25	82.00	Sep	100.50	100.70	100.10	100.35	−.15
125.00	82.50	Nov	102.10	102.10	101.60	101.90	−.10
113.00	83.75	Jan	103.00	103.00	102.70	103.15	−.15
122.00	83.90	Mar	104.40	104.40	102.70	104.85	−.05
109.90	84.50	May				105.15	−.05
109.40	84.75	Jul				106.25	−.05
111.40	107.00	Sep				107.35	−.05
112.00	112.00	Nov				107.35	−.05

Est. Sales 300 Prev. Sales 502
Prev. Day Open Int. 7,060 off 67

Metals

COPPER (COMEX)
25,000 lbs.- cents per lb.

Season High	Season Low		Open	High	Low	Close	Chg.
72.55	58.15	Jul	58.90	58.95	58.90	58.90	−.10
63.35	63.30	Aug				58.95	−.15
70.90	58.45	Sep	59.25	59.30	59.10	59.25	−.20
70.30	59.30	Dec	59.70	59.90	59.70	59.85	−.15
70.20	60.05	Jan				60.05	−.15
70.00	59.75	Mar	60.25	60.35	60.25	60.35	−.20
70.10	60.00	May	60.80	60.80	60.80	60.70	−.20
69.95	60.50	Jul	60.90	61.15	60.90	61.05	−.20
70.35	60.85	Sep				61.35	−.20
69.50	61.20	Dec				61.80	−.20
70.80	63.35	Jan				61.95	−.20
68.50	63.30	Mar				62.25	−.20
63.30	63.30	May				62.55	−.20

Est. Sales 2,500 Prev. Sales 2,154
Prev. Day Open Int. 63,334 off 89

ALUMINUM (COMEX)
40,000 lbs.- cents per lb.

Season High	Season Low		Open	High	Low	Close	Chg.
63.45	44.50	Jul				50.35	
		Aug				50.45	−.05
61.20	46.90	Sep	50.40	50.70	50.40	50.70	−.05
61.75	48.95	Dec	51.00	51.15	51.00	51.20	−.05
57.60	56.00	Jan				51.30	−.05
59.40	51.55	Mar	51.60	51.65	51.60	51.70	−.05
57.85	49.40	May				52.00	−.05
60.45	58.00	Jul				52.25	−.05
52.15	51.50	Sep				52.45	−.05
		Dec				52.55	−.05
		Jan				52.75	−.05
		Mar				52.85	−.05
		May				52.95	−.05

Est. Sales 78 Prev. Sales 7,411
Prev. Day Open Int. 1,069 up 6

EURODOLLARS (IMM)
$1 million-pts of 100 pct.

Season High	Season Low		Open	High	Low	Close
93.75	87.08	Sep	93.57	93.63	93.54	93.59
93.44	87.23	Dec	93.55	93.60	93.50	93.57
93.46	87.04	Mar	93.38	93.43	93.36	93.39
93.21	88.84	Jun	93.15	93.19	93.13	93.18
92.99	89.29	Sep	92.89	92.96	92.89	92.96
92.80	90.18	Dec	92.59	92.63	92.58	92.68
92.62	90.74	Mar	92.32	92.35	92.27	92.40
92.09	91.69	Jun	92.06	92.06	92.02	92.07

Est. Sales 32,429 Prev. Sales 31,996
Prev. Day Open Int. 164,111 off 993

Industrials

LUMBER (CME)
130,000 bd. ft.- $ per 1,000 bd. ft.

Season High	Season Low		Open	High	Low	Close
182.40	145.50	Sep	151.00	155.80	150.70	155.30
174.50	146.00	Nov	150.50	154.10	150.10	153.50
175.00	150.00	Jan	155.00	158.50	154.50	156.60
175.50	153.80	Mar	157.00	160.70	157.00	159.00
174.50	159.10	May	159.20	158.50	158.00	158.00
175.50	160.00	Jul	161.00	161.00	161.00	161.00

Est. Sales Prev. Sales 2,395
Prev. Day Open Int. 5,474 up 161

MMI MAXI INDEX (CBT)
mmix250 x index

Season High	Season Low		Open	High	Low	Close
366.10	332.60	Jul	340.70	342.85	340.20	340.60
366.20	338.70	Aug	341.30	343.20	340.70	340.80
366.90	331.00	Sep	341.90	344.00	341.80	341.50
369.20	343.60	Dec	345.50	344.50	344.50	344.50

Est. Sales Prev. Sales 11,121
Prev. Day Open Int. 11,378 up 38

MUNICIPAL BONDS (CBT)
$1000x index-pts & 32nds of 100 pct

Season High	Season Low		Open	High	Low	Close	Chg.
103-1	79-10	Sep	94-30	95-4	94-6	94-20	−10
98-22	88-20	Dec	94-20	94-20	93-22	94	−16
95-25	93-28	Mar	93-13	93-15	93-5	93-6	−19

Est. Sales Prev. Sales 3,836
Prev. Day Open Int. 13,299 off 103

CERT. DEPOSIT (IMM)
$1 million- pts of 100 pct

Season High	Season Low		Open	High	Low	Close	Chg.
93.97	87.86	Sep				93.92	−.01
93.80	88.34	Dec				93.93	+.02
91.15	91.15	Sep				93.20	−.03

Est. Sales Prev. Sales
Prev. Day Open Int. 32

Commodity Indexes

	Close	Previous
Moody's	962.50 f	980.4
Reuters	N.A.	N.A
D.J. Futures	114.76	115.3
Com. Research Bureau	N.A.	203.7

Moody's : base 100 : Dec. 31, 1931.
p - preliminary; f - final
Reuters : base 100 : Sep. 18, 1931.
Dow Jones : base 100 : Dec. 31, 1974.

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Currency Options

July 17

PHILADELPHIA EXCHANGE

Total call vol. 13,225 Call open int. 332,893
Total put vol. 9,541 Put open int. 298,171
r—Not traded. s—No option offered.
Last is premium (purchase price).
Source: AP.

Asian Commodities

July 17

SINGAPORE GOLD FUTURES
U.S.$ per ounce

	High	Low	Settle	Prev. Settle
Aug	347.80	347.80	347.80	349.80
Sep	N.T.	N.T.	349.50	351.50
Oct	N.T.	N.T.	350.90	352.90

Volume: 0 lots of 100 oz.

KUALA LUMPUR RUBBER
Malaysian cents per kilo

	Close Bid	Close Ask	Previous Bid	Previous Ask
Aug	216.00	218.00	215.00	217.00
Sep	213.50	215.50	212.50	214.50
Oct	214.50	216.50	213.50	215.50
Nov	215.50	217.50	214.50	216.50
Dec	216.50	218.50	215.50	217.50

Volume: 0 lots.

SINGAPORE RUBBER
Singapore cents per kilo

	Close Bid	Close Ask	Previous Bid	Previous Ask
RSS 1 Aug	176.50	177.00	176.00	176.50
RSS 1 Sep	176.50	177.00	176.00	176.50
RSS 2 Aug	172.50	174.50	172.00	174.00
RSS 3 Aug	170.50	172.50	170.00	172.00
RSS 4 Aug	167.50	169.50	167.00	169.00
RSS 5 Aug	162.50	164.50	162.00	164.00

KUALA LUMPUR PALM OIL
Malaysian ringgits per 25 tons

	Close Bid	Close Ask	Previous Bid	Previous Ask
Aug	540.00	545.00	540.00	542.00
Sep	538.00	540.00	530.00	536.00
Oct	538.00	540.00	530.00	533.00
Nov	538.00	540.00	533.00	535.00
Dec	538.00	N.Q.	532.00	536.00
Jan	530.00	N.Q.	533.00	N.Q.
Mar	530.00	N.Q.	N.Q.	N.Q.

Volume: 72 lots of 25 tons.
Source: Reuters.

Paris Commodities

July 17

SUGAR
French francs per metric ton

	High	Low	Close Bid	Close Ask	Ch'ge
Oct	1,245	1,200	1,235	1,245	+27
Dec	1,256	1,220	1,256	1,275	+22
Mar	1,295	1,260	1,270	1,295	+20
May	N.T.	N.T.	1,325	1,335	+18
Aug	N.T.	N.T.	1,375	1,395	+13
Oct	1,439	1,405	1,420	1,440	+20

Est. vol.: 2,200 lots of 50 tons. Prev. actual sales: 3,749 lots. Open interest: 22,719

COCOA
French francs per 100 kg

	High	Low	Close Bid	Close Ask	Ch'ge
Sep	N.T.	N.T.	1,390	1,415	−21
Dec	N.T.	N.T.	1,420	1,465	−18
Mar	N.T.	N.T.	1,455	—	−10
May	N.T.	N.T.	1,475	—	−10
Jly	N.T.	N.T.	1,495	—	−10
Sep	N.T.	N.T.	1,505	—	−10

Est. vol.: 0 lots of 10 tons. Prev. actual sales: 2 lots. Open interest: 179

COFFEE
French francs per 100 kg

	High	Low	Close Bid	Close Ask	Ch'ge
Jly	N.T.	N.T.	1,900	—	Unch.
Sep	2,050	2,000	2,005	2,015	+13
Nov	2,090	2,050	2,060	2,070	+43
Jan	2,100	2,100	2,085	—	+60
Mar	2,130	2,112	2,105	2,110	+48
May	2,110	2,110	2,110	—	+50
Jly	N.T.	N.T.	2,110	—	+50

Est. vol.: 267 lots of 5 tons. Prev. actual sales: 220 lots. Open interest: 1,011
Source: Bourse du Commerce.

London Commodities

July 17

SUGAR
Sterling per metric ton

	High	Low	Close Bid	Close Ask	Previous Bid	Previous Ask
Aug	123.00	114.00	120.00	122.00	112.60	112.80
Oct	134.00	122.80	131.00	131.20	122.40	122.80
Mar	149.40	141.40	147.00	147.40	140.00	140.60
May	152.20	150.00	151.00	151.40	143.00	145.00
Aug	N.T.	N.T.	155.60	157.00	148.80	150.20
Oct	N.T.	N.T.	159.60	161.00	152.20	154.00

Volume: 3,798 lots of 50 tons.

COCOA
Sterling per metric ton

	High	Low	Close Bid	Close Ask	Previous Bid	Previous Ask
Jly	1,338	1,335	1,337	1,342	1,330	1,335
Sep	1,370	1,355	1,366	1,367	1,364	1,365
Dec	1,414	1,399	1,407	1,408	1,406	1,407
Mar	1,443	1,430	1,439	1,440	1,435	1,436
May	1,458	1,456	1,455	1,458	1,452	1,455
Jly	1,474	1,469	1,468	1,474	1,467	1,470
Sep	1,495	1,487	1,483	1,490	1,485	1,490

Volume: 2,113 lots of 10 tons.

COFFEE
Sterling per metric ton

	High	Low	Close Bid	Close Ask	Previous Bid	Previous Ask
Jly	1,941	1,905	1,916	1,930	1,870	1,875
Sep	1,960	1,915	1,936	1,938	1,891	1,892
Nov	1,985	1,945	1,960	1,962	1,920	1,922
Jan	2,015	1,980	1,985	1,995	1,955	1,959
Mar	2,041	2,010	2,015	2,025	1,985	1,990
May	2,058	2,035	2,040	2,050	2,000	2,014
Jly	N.T.	N.T.	2,050	2,070	2,020	2,025

Volume: 6,356 lots of 5 tons.

GASOIL
U.S. dollars per metric ton

	High	Low	Close Bid	Close Ask	Previous Bid	Previous Ask
Aug	105.00	97.25	98.00	N.Q.	95.00	95.50
Sep	108.25	101.00	N.Q.	102.00	98.50	99.00
Oct	110.75	103.00	104.00	104.50	101.50	102.00
Nov	112.50	106.75	107.50	N.Q.	102.75	103.50
Dec	113.00	110.00	109.00	110.00	104.00	106.50
Jan	N.T.	N.T.	109.00	118.50	104.50	107.00
Feb	N.T.	N.T.	109.00	118.00	107.00	112.00
Mar	N.T.	N.T.	109.00	120.00	108.00	115.00
Apr	N.T.	N.T.	109.00	120.00	108.00	117.00

Volume: 5,487 lots of 100 tons.
Sources: Reuters and London Petroleum Exchange (gasoil, crude oil).

London Metals

July 17

	Close Bid	Close Ask	Previous Bid	Previous Ask
ALUMINUM Sterling per metric ton				
Spot	728.00	729.00	728.50	729.50
Forward	741.00	742.00	744.50	745.00
COPPER CATHODES (High Grade) Sterling per metric ton				
Spot	874.00	876.00	882.00	883.00
Forward	93.50	894.50	902.00	902.50
COPPER CATHODES (Standard) Sterling per metric ton				
Spot	838.00	840.00	844.00	846.00
Forward	861.00	863.00	869.00	871.00
LEAD Sterling per metric ton				
Spot	248.50	249.00	248.00	248.50
Forward	254.50	255.00	254.00	254.50
NICKEL Sterling per metric ton				
Spot	2540.00	2545.00	2580.00	2590.00
Forward	2610.00	2612.00	2640.00	2645.00
SILVER Pence per troy ounce				
Spot	330.50	331.00	332.00	334.00
Forward	338.25	338.50	341.00	342.00
ZINC Sterling per metric ton				
Spot	505.00	510.00	510.00	520.00

Source: AP.

U.S. Treasuries

July 17

	Discount Bid	Discount Offer	Yield	Prev. Yield
3-month bill	5.76	5.74	5.93	5.94
6-month bill	5.82	5.80	6.08	6.09
1-year bill	5.85	5.83	6.20	6.20

	Bid	Offer	Yield	Prev. Yield
30-yr. bond	100 17/32	100 19/32	7.20	7.17

Source: Salomon Brothers.

Merrill Lynch Treasury index: n.a.
Change for the day: n.a.
Average yield: n.a. %
Source: Merrill Lynch.

DM Futures Options

W. German Mark-125,000 marks, cents per mark

July 17

Strike Price	Calls-Settle Sep	Calls-Settle Dec	Calls-Settle Mar	Puts-Settle Sep	Puts-Settle Dec	Puts-Settle Mar
45	1.97	2.66	3.12	0.36	0.87	1.14
46	1.20	2.05	2.54	0.68	1.23	1.50
47	0.77	1.55	2.04	1.17	1.70	1.96
48	0.46	1.15	1.63	1.82	2.27	—
49	0.26	0.84	—	2.41	—	—

Estimated total vol. 8,833
Calls: Wed. vol. 5,911 open int. 50,455
Puts: Wed. vol. 4,891 open int. 41,401
Source: CME.

S&P 100 Index Options

July 17

Total call volume 218,442
Total call open int. 916,796
Total put volume 146,416
Total put open int. 354,400
Index:
High 224.08 Low 222.60 Close 22.96 + 0.32
Source: CBOE.

Dividends

July 17

Company	Per	Amt	Pay	Rec
INCREASED				
Carter-Wallace	Q	.20	8-29	
Dorsey Corp	Q	.16	9-2	
Independence Bncrp	Q	.26	8-8	
Miro Bnc Fedl Svgs	Q	.20	8-29	
Sovran Fncl Corp	Q	.34	10-1	
Wisc. Pwr & Light	Q	.74	8-15	
INITIAL				
Arrow Bank Corp	Q	.24	8-1	
Barnett Bnks Florida	Q	.20	10-1	
LeaRonal Inc	Q	.18	8-26	
Peoples Bancorp	Q	.12	9-17	
LIQUIDATION				
Rvl Palm Beach Col	–	.35	8-15	
SPECIAL				
Mige & Realty Trst	–	.07	8-18	
STOCK				
Luby's Cafeterias	–	50 %	8-11	
Pat Sound Bncrp	–	100 %	8-22	
Washington Mutual	–	50 %	8-15	

STOCK SPLIT

Barnett Banks Florida — 3-for-2
Dominion Bankshares — 2-for-1
Fst Mutual Svgs Assoc — 3-for-1

Company	Per	Amt	Pay	Rec
USUAL				
Avnet Inc	Q	.12½	10-1	
Bank of Delaware	Q	.33	9-10	
Barnes Group Inc	Q	.35	9-10	
Branch Corp	Q	.31	9-12	
Chase Manhattan	Q	.51½	8-15	
Chesebrough-Ponds	Q	.50	9-25	
CityFed Financial	Q	.10	8-14	
Citytrust Bancorp	Q	.28	8-9	
Clorox Co	Q	.38	8-15	
Columbia Fedl Svgs	Q	.05	8-15	
Core Industries	Q	.15	9-22	
CulCo Industries	Q	.03½	8-1	
Dominion Bnkshrs	Q	.33	9-10	
Dun & Bradstreet	Q	.64	9-10	
First Ala Bncshrs	Q	.16	10-1	
First Fed Bank FSB	Q	.10	8-15	
Giant Food Co cl-A	Q	.15	9-5	
Guilford Ind	Q	.05	7-25	
Hawaiian Elec	Q	.43	9-10	
Heileman (G) Brwg	Q	.13	9-1	
Hillenbrand Indus	Q	.14	8-29	
Kansas Pwr & Lght	Q	.79	10-1	
Luby's Cafeterias	Q	.11	9-29	
MeraBank	Q	.19	8-12	
Mirbnc Fed Svgs Bk	Q	.20	8-29	
Modine Mfrg	Q	.10	9-5	
Mrtgge & Rlty Trst	Q	.45	8-18	
National Standard	Q	.10	10-2	
Natl Bancshares Tx	Q	.19½	10-1	
NCR Corp	Q	.23	10-24	
Newhall Ld & Frmng	Q	.12	9-2	
Norstar Bancorp	Q	.33	10-1	
Pat Sound Bancorp	Q	.18	9-15	
Realty South Invest	Q	.47	8-18	
Rothmans Inc	Q	.40	9-17	
Sanaca Products	Q	.20	9-10	
Sonoco Products	Q	.20	9-10	
St Joseph Lgt & Pwr	Q	.45½	8-18	
Summit Bancorp	Q	.17	9-15	
Todd Shipyards	Q	.33	9-2	
United Co Bkshrs	Q	.26	8-8	
Visual Graphics	Q	.07½	10-2	
Vapley Corp	Q	.10	8-29	
Washington Mutual	Q	.18	8-15	
Zero Corp	Q	.072	9-2	

a-annual; m-monthly; q-quarterly; s-semi-annual

Source: UPI.

IF YOU GET A KICK OUT OF SOCCER, READ ROB HUGHES WEDNESDAYS IN THE IHT

USINESS ROUNDUP

oca-Cola Profit Rose in 2d Period

The Associated Press

TLANTA — Coca-Cola Co., largest American soft-drink pany, said Thursday that im- ed sales worldwide helped it its second-quarter net profit by 15 percent over the year before.

The Atlanta-based company said it earned $225 million, or 58 cents a share, in the three months ended June 30, compared with $196 million, or 50 cents a share, in the 1985 quarter. Net operating revenue jumped 24.5 percent to $2.463 billion from $1.987 billion.

Coca-Cola said wordwide soft-drink shipments increased 11 percent during the quarter.

"Our programs to build international per capita consumption of soft drinks, along with continued solid performance by our other business sectors and favorable exchange rates, are generating strong profit growth," said Roberto C. Goizueta, the company's chairman.

Coca-Cola USA, the domestic subsidiary, said shipments rose 7 percent in the quarter. International soft-drink volume rose 14 percent.

For the first six months of the year, net income was up 14.6 percent to $387 million, or $1 a share, from $337 million, or 86 cents a share.

Net operating revenue increased 18.5 percent in the first half to $4.365 billion from $3.682 billion.

Net profit for 1985 included an extraordinary gain from discontinued operations of $2.5 million in the second quarter and $3.8 million in the first half, the company said.

ank Organisation of U.K. ys Pretax Profit Rose 12%

Reuters

ONDON — Rank Organisa- PLC, the British entertainment , said Thursday that its pre- rofit for the 28 weeks ended 17 rose about 12 percent from ear-earlier period, to £70.2 n ($105 million) from £62.8 n.

es for the period edged up 6 t to £225.1 million from 3 million. Per-share profit 18.4 pence from 16.9 pence. results were in line with mar- pectations, analysts said.

k said its trading profit grew result of improved perfor- s from most sections, includ- film, exhibition and distribu- ivisions, its Top Rank clubs nk Taylor Hobson Ltd.

Profits from the British hotel division suffered from the decline in overseas bookings, particularly from North America, Rank said.

The unaudited interim results exclude Butlin's Ltd., Leisure Holidays Ltd., Haven Leisure Ltd. and Rank Travel Ltd., Rank added.

Rank said it has incurred costs of £9.8 million so far in its hostile £757-million offer for Granada Group PLC, the television concern. Rank now holds 12.4 million, or 4.95 percent, of Granada's shares.

The bid, announced in February, was blocked a month later by opposition from the Independent Broadcasting Authority. But Rank said it would submit a new offer once impediments raised by IBA had been overcome.

Xiamen Bank Reports Profit

Reuters

BEIJING — Xiamen International Bank, China's first joint-venture bank, set up in November, made a profit of 8.53 million Hong Kong dollars ($1.1 million) in the first half of 1986, the official Xinhua news agency said Thursday.

It said the bank, with a registered capital of 800 million dollars, has two subsidiaries, Xiamen International Finance Co. in Hong Kong and Luso International Banking Co. in Macao. It gave no more details.

XIB is 60-percent owned by Panin Holdings Ltd. of Hong Kong, with the rest held by three Chinese companies.

American Can, Triangle Sign Pact

Reuters

NEW YORK — Triangle Industries Inc. said Thursday it had signed a definitive agreement to buy American Can Co.'s packaging business for a price to be based on book value on the closing date.

The company said, "based on the latest available balance sheet of the packaging business, that price would approximate $570 million." It added that the purchase price would be paid in five million Triangle common shares and the balance in cash. Triangle said the cash would come from working capital and additional borrowings. It said the purchase had been approved by both boards.

American Can said it did not expect a material gain or loss on the transaction. It said its vice chairman and chief executive officer, Gerald Tsai Jr., will join the Triangle board after the acquisition.

Czarist Bonds Are Dropped

Reuters

LONDON — The London Stock Exchange said Thursday that the listing for Russian bonds that was temporarily suspended ahead of a British government statement on settlement of Anglo-Soviet financial claims has been canceled. The British Foreign and Commonwealth Office said Tuesday that Britain will distribute £50 million ($75 million) to British holders of Russian government bonds.

MPANY NOTES

Pipeline Co. has pulled out of an agreement to ge quantities of natural gas from Mobil Oil Co., g the decision on customers' buying directly roducers. Detroit-based ANR, a unit of Coastal f Houston, had agreed to buy 500 billion cubic billion cubic meters) of gas over 25 years from Mary Ann field in the Gulf of Mexico.

en Hill Pty., the Australian mining concern, ually agreed on a refinancing accord worth an 400 million dollars ($250 million) with OK ining Ltd. of Papua New Guinea. The two ies are involved in a copper and gold mining n.

e & Wireless PLC and STC International Com- td., both British companies, said they planned a joint venture to provide national packet d services, a data-transference system, later r.

p AG, the West German supermarket chain, es stagnated in the first half of this year. The y may place a block of shares on the bourse ar, according to the managing board chairman, Otto.

ng Glass Works of the United States has an exemption from European Community tion rules. The exemptions, which were ap- by the EC's executive commission, allow Cor- set up joint ventures in Britain with BICC PLC West Germany with Siemens AG for the ion and sale of optical fibers.

Motor Co. Ltd., the British unit of the U.S. automaker, said it is to invest £45 million ($67 million) in three of its components plants over the next four years but it may have to close one of its London factories. A spokesman said £30 million will be put into the group's plant in Belfast to begin production of oil and water pumps for gasoline and diesel engines.

Goodyear Tire & Rubber Co. of the United States said its metal-products plant in Akron, Ohio, can remain open without wage cuts. Company officials, reversing an earlier decision to close the plant, said that 125 of the 500 jobs could be saved if union members agree to some work-rule changes.

Jaguar PLC said it built a record 22,049 cars in the first six months of this year, an increase of 1,854, or 9.2 percent, on the same period of 1985. This keeps it on target to produce a record 42,000 cars in 1986, the British automaker said.

R.J. Reynolds Industries Inc. of the United States has had a plan for one of its units to make 2.5 billion cigarettes a year in China approved by the government in Beijing, Xinhua said. About $21 million will be invested in the joint venture by R.J. Reynolds, the Xiamen Tobacco factory and the Joint Development Corp. of Xiamen, a special economic zone.

Transamerica Airlines, a unit of Transamerica Corp. of the United States, announced the signing of a contract to sell 12 of its Lockheed Hercules L-100-30 aircraft plus spare parts and related equipment to Southern Air Transport for $82.5 million. The sale is scheduled to be completed in October. Transamerica has reported losses the past two years.

GENTINA: *After Decades of Stagnation, a Move to Sell State Firms*

ued from first finance page)

r. But we can see how badly ate has performed for 50

have to give them a " he said, referring to Ar- businessmen.

omy Minister Juan V. Sour- dismissed those who ques- e administration's sincerity osing the reforms. "It is not whim of government," he noted that one small enter- ready had been sold and e steel and petrochemical ies have been put up for

ddition, the government has ed removing import restric- components used by man- ers who sell their products ort.

a small thing," a business- id. "But it is an indication ernment is serious."

Sourrouille said the govern- ants to ensure that the legal inning of the sale of publicly enterprises is so firm that a government cannot undo it. plains in part why the pro- taking so long, he said.

recent interview, he said the n administration soon will a law to Congress that provide the legal authority sale of most public compa-

gh-ranking business execu- ted that Mr. Alfonsin has any difficult problems since ted government succeeded a y junta in December 1983.

had to deal with inflation he could deal with growth," sinessman said. "Now that inflation down to a reason- vel, at least for Latin Ameri- can worry about growth."

os Bulgheroni, director of Group, a privately owned acturing conglomerate, does estion Mr. Alfonsin's com- nt. But he said that powerful are arrayed against the presi- including many of the old in Mr. Alfonsin's Radical

ther top Argentine executive The old guard in the Radical s being replaced by younger ers who think more like Al- But it is a slow process."

policy changes advocated by lfonsin administration read like a wish list from James er 3d, the U.S. Treasury sec- Mr. Baker argues that many s of debtor nations like Ar- a sabotage the economic and job creation that the ies seek.

Baker wants stepped-up or the countries that are will- change their economic poli- he lending, from both com- al banks and official tions like the World Bank, posed to make it easier for tions to pay their interest it still have enough funds left r investment.

$52 billion in foreign debt ticipated interest payments e than $4.6 billion this year, ina is a leading candidate so-called Baker initiative as unveiled last October.

Mr. Alfonsin must negotiate cal and economic mine field to modernize an economy that has consciously featured the state as either the center or arbiter of most economic activity.

Slowly but surely, Mr. Alfonsin is conquering the ideologues in his own party, according to Mr. Bulgheroni of Bridas Group.

"I find it instructive that the same man who 20 years ago canceled contracts with foreign oil companies was the one in charge of luring them back," he said, referring to Conrado Storani, a former energy secretary.

Mr. Storani, now minister of public health and a strident nationalist, may not have liked inviting foreign companies to explore for oil, Mr. Bulgheroni said. But his doing so shows that Mr. Alfonsin gets his way.

Unfortunately for the president, companies' interest in exploration is waning because of plummeting oil prices.

But even if Mr. Alfonsin wins over his own government, he must also deal with powerful interest groups, including labor unions and businesses, that are accustomed to manipulating the state for their own ends and will resist change, according to Charles Rowe, a top official with the Bank of Boston in Buenos Aires.

Over the last half-century, Mr. Rowe said, the government has created a number of private fiefdoms for individual businesses by providing tax breaks, interest subsidies or other benefits that make it virtually impossible for other companies to enter a particular industry.

Government regulations also stifle entrepreneurial activity. For example, the law requires that pharmacies be owned by the pharmacists. "That prevents a sharp businessman from hiring a couple of druggists and starting a chain, or a supermarket from adding a drug counter," he said.

The public sector has grown steadily since former President Juan Perón nationalized the railroads nearly 40 years ago. Resistance to selling those companies comes not only from Argentines who firmly believe the state should intervene in the economy, but from hundreds of thousands, perhaps millions, of state workers whose concern is less ideological: their jobs.

Although declining real incomes have been a problem in Argentina since the 1930s, unemployment has not. Many companies were purchased by the state to avert the unemployment that would have resulted if they went bankrupt.

Several months ago, the government announced its intention to sell Somisa, the government steel company. A small minority of Somisa is already owned by private interests. Almost immediately after the announcement, workers, joined by the local Catholic bishop, began to protest the sale.

The state sector, including both the enterprises and the ministries, is constantly subject to strikes as labor attempts to force concessions from the government.

So far, the Alfonsin administration has stood its ground. Rather than crumble before what it considered an illegal strike by pilots of the government-owned Aerolineas Argentinas, for example, the company fired the striking pilots and is looking for replacements.

Most Argentines support the kinds of changes the government says it wants, according to Mr. Szewach, because they have seen 50 years of poor economic performance.

A former top government official agreed. "The unions can make it very unpleasant. They can muster 100,000 demonstrators in the Plaza de Mayo on 24 hours' notice. But most Argentines are not union members and most want change.

Mr. Alfonsin's plans could founder, however, on a lack of local resources to buy the state enterprises that the government wants to put up for sale.

Finding a buyer for Somisa, which has been for sale for several months, will be difficult, according to Jorge Llados, a director of the company. The company's book value is $800 million, he said, but replacing the facilities would cost $5 billion.

The economy minister, Mr. Sourrouille, said it would be wishful thinking to expect Argentines, who have billions of dollars invested abroad, to bring those funds home until there is strong evidence of economic growth.

Mr. Sourrouille said the administration is trying to develop a method of allowing qualified purchasers to buy state enterprises with a minimum cash-down payment.

One former government official suggested that Baker-plan loans, probably from the World Bank, might be used to facilitate the sales.

"The enterprises should get themselves in shape, eliminate excess workers, write off old facilities," he said. "Baker-plan loans could be used to pay off the workers and retrain them."

Argentina, Latin America's third-biggest debtor country, has had virtually no economic growth for 35 years. What little it has achieved was accomplished with funds borrowed from abroad.

> **Economy Minister Juan V. Sourrouille said it is wishful thinking to expect Argentines, who have billions of dollars invested abroad, to bring funds home without evidence of economic growth.**

Trilateral Group Study Urges More Coordination on Debt

By Steven J. Dryden

International Herald Tribune

BRUSSELS — Industrialized nations must replace "crisis management" of the world economy with more coordination to avoid problems such as massive trade imbalances and to resolve the Third World debt crisis, an international panel of businessmen, scholars and public officials said Thursday.

"We need a leap forward in the extent of cooperation," the authors of a report by the Trilateral Commission said. The group's members are from North America, Japan and Western Europe.

Referring to the agreement by the Group of Five nations last September to intervene to bring down the value of the dollar, the report said, "We must not overestimate what the G-5 meeting and other recent events have accomplished.

"What was essentially crisis management must be turned into systematic cooperation on a continuing basis," it said. Crisis management and pragmatism "are not enough over time," the study added.

Among the recommendations of the report was that some form of "target zones" be established for currency relationships.

The report also praised the agreement by industrialized nations at the Tokyo economic summit to review national policies, but urged the nations to instruct the International Monetary Fund to call attention to deviations from agreed policy targets.

On Third World debt, the report said that packages of new credits, most likely greater in size than what was suggested in the plan of James A. Baker 3d., the U.S. treasury secretary, should be given by commercial banks in the industrialized nations to debtor countries.

The report was presented in Brussels by one of its authors, Etienne Davignon, a member of the board of directors of the Société Générale de Belgique. The other authors were C. Fred Bergsten, the director of the Institute for International Economics in Washington, and Isamu Miyazaki, chairman of the Daiwa Securities Research Institute in Tokyo.

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Subscriptions can only be received if made on the basis of the current prospectus together with the latest (semi)-annual reports.

BUSINESS PEOPLE

American Express Bank Promotes 3 Executives

By Brenda Erdmann

International Herald Tribune

LONDON — American Express Bank Ltd., the international banking arm of American Express Co., has promoted three senior vice presidents to executive vice presidents.

They are Alan C. Langley, Ian R. Jardine and L. Alan Bawden.

Mr. Langley, who will continue to manage the bank's treasury functions out of New York, will also be responsible for the development of the bank's capital markets in the Western Hemisphere.

Mr. Jardine will manage American Express Bank's treasury function for London, Frankfurt and Singapore and will be responsible for the development of the bank's capital markets area in Europe, the Middle East and Asia. He will be based in London.

Mr. Bawden will continue as head of global credit based in New York.

Procter & Gamble Co., the Cincinnati-based maker of household and consumer products, has named Claude Meyer division manager for Northern Europe, effective Aug. 12. He takes over duties held by Robert Blanchard, vice president for Northern Europe, who has been named vice president of P&G's beverage division. Mr. Meyer was P&G's division manager for Southern Europe.

Security Pacific EuroFinance, the European asset-based financing unit of Security Pacific Corp., has named Hermann Ehrenberger as country head for West Germany and Austria. Mr. Ehrenberger, who is based in Munich, has also been appointed a vice president of Security Pacific EuroFinance and Geschäftsführer, Security Pacific International Leasing GmbH. He was a member of the business management team of Deutsche Factoring Bank in Bremen and chairman of Factors Chain International, the worldwide association of factoring organizations.

John Hougham

Ford of Britain has appointed John Hougham as director of personnel, succeeding Paul Roots, who is to retire. Mr. Hougham was director of industrial relations, manufacturing, for Ford of Europe.

Irving Trust Co. of New York has appointed Victor R. Palazzo manager of its Europe division and a senior vice president of the company. The division serves central and commercial banks, government agencies and local businesses in Europe and Canada. He was general manager and chief executive officer of Banco Irving Austral, a unit of Irving Trust in Argentina.

Drexel Burnham Lambert Inc., the New York-based investment banking and securities firm, has appointed Peter Gregory to head its newly formed international professional investor group, with responsibility for all securities activities in Europe and the Far East. Mr. Gregory, who has been with Drexel Burnham since 1972, has been responsible for the firm's Far Eastern offices since 1981.

Bank of Tokyo has named Tatsuo Kobayashi general manager of its Singapore branch, succeeding Kazutsugu Nagagawa, who will return to Japan. Mr. Kobayashi was deputy general manager of the bank's Hong Kong branch and will be replaced by Isao Ohkubo, formerly chief representative of the Beijing office.

Saitama Bank (Europe) SA in Brussels said its managing director and general manager, Tsuneo Ibuka, is returning to Japan to take up a post with its parent, Saitama Bank Ltd. Shigenobu Goto will be promoted from within the Brussels unit to succeed Mr. Ibuka.

Singer & Friedlander Ltd. has appointed Norman C. England a director. Mr. England recently retired as a partner of Peat, Marwick, Mitchell & Co.

PA, the British management and technology consultancy, has formed an economic consulting arm in a joint venture with economic analysts in Cambridge. To be called PA Cambridge Economic Consultants, the venture will address development issues in the public and private sectors. Victor Hausner, deputy assistant secretary of commerce for economic development policy and planning under President Jimmy Carter, will head the new company.

Mercedes-Benz (United Kingdom) Ltd. has elected Sir Christophor Laidlaw as a nonexecutive director. He is chairman of Bridon PLC and a director of Barclays Bank PLC, Dalgety PLC, Redland PLC and American Hess Corp. He has been president of the German Chamber of Trade and Industry in Britain since 1983. He was chairman of ICL PLC, Britain's largest computer maker.

National Starch & Chemical Corp. has appointed Douglas Corbishley vice president of European operations, succeeding Alexander J. McCarthy, who has retired. Mr. Corbishley was divisional vice president of European starch operations and in his new post is based in Beaconsfield, England. National Starch is a U.S.-based maker of adhesives, sealants and specialty chemicals and starches.

JARDINE: *Restructures Assets in Effort to Withdraw From Hong Kong*

(Continued from first finance page)

interest in Hong Kong Land. Mr. Keswick has discussed such a sale with numerous local and overseas companies over the past year, without reaching an agreement on the price of Land's shares.

Company officials suggest the same motivation has prompted Mr. Keswick to separate Dairy Farm from Land's asset-heavy hotel and property divisions.

"He's mainly interested in current-asset rather than fixed-asset businesses," said a senior executive of the group, who did not wish to be identified. "You can draw your own conclusions as to why."

Financial analysts see the outlines of Jardine's long-term goals in a number of transactions initiated in recent months.

Earlier this year the company acquired a California insurance brokerage, Emett & Chandler Cos. Inc., for $62 million. The price was almost a fifth of the capital employed by Jardine outside its Hong Kong Land holdings.

In April, Jardine issued $150 million in preferred stock that is convertible into Hong Kong Land shares. The issue will effectively reduce Jardine's interest in Land by about 20 percent.

Mr. Keswick suggested in the interview that the hotel division of Hong Kong Land, Mandarin Hotels Ltd., may eventually be transformed into a services company by selling off its underlying properties.

"We haven't made up our minds about hotels," Mr. Keswick said. "If we want to restructure it to become more of a management company, then it might also become independent."

Mr. Keswick, who become Jardine's chairman in 1983, appears to be determined to return his company to its original trading and services businesses.

But in doing so, he is substantially changing the character — and perhaps eventually the size — of Hong Kong Land, which is currently the territory's fifth-largest quoted company.

In explaining the Dairy Farm proposal, Mr. Keswick has stressed its advantages to Hong Kong Land's stockholders, who will be entitled to receive equal shares in the newly listed company.

The Dairy Farm shares are expected to trade at a substantial premium to their issue price. Hong Kong Land shares ended Thursday at 5.85 Hong Kong dollars (75 cents), a decline of 10 Hong Kong cents.

The Dairy Farm transaction is also expected to enable Hong Kong Land to reduce its debt by about 1.5 billion dollars.

But corporate analysts believe that in the long run the separation will weaken a complimentary structure that was a key feature of the recovery at Hong Kong Land overseen by Mr. Davies.

In part through the use of Dairy Farm's consistent earnings, Mr. Davies was able to reduce the substantial debts incurred by the company's property division during a real estate slump in Hong Kong several years ago.

In 1984 Land reported its first profit in three years. Last year the company earned 156 million dollars after deductions, a threefold increase from 1984, on revenues of 10.2 billion dollars.

"Both hotels and property are in very good shape," Mr. Davies said. "The nub of it is Dairy Farm is in excellent shape."

Dairy Farm's operations include supermarket chains in Hong Kong and Australia, and the hotel unit has assets in six countries in addition to Hong Kong. The pretax profit contributions of the two were 19 percent and 13 percent, respectively, with property accounting for almost all the rest.

Mr. Davies indicated that his resignation, which comes two years before his contract ends, was unrelated to the decision to spin off a highly prized subsidiary.

"I came to pull Land out of its problems, and it has been done," he said.

But senior company executives suggest that he viewed the prospect of running a company devoted solely to local property development as unchallenging, particularly when activity in the sector has been dampened by political anxieties.

IMI

Consolidated Highlights at March 31, 1986

*(Dollars in millions *)*

Total assets	17,544
Assets under management	14,067
Net income	397
Shareholders' equity	1,847
Allowances for losses	428

** Values expressed in US dollars adopting the lira-dollar exchange rate of end March 1986 (Italian lira 1,580.75/US $ 1.00).*

The Meeting of the Shareholders' of Istituto Mobiliare Italiano (IMI), held in Rome on July 9, 1986, approved a transfer of reserves to equity for an amount of **400 billion Lire**. As a result of the Shareholders' decisions and of the July 1st capital increase, the equity structure of IMI and of the IMI Group can be summarized as follows:

	*(Dollars in millions *)*
Capital	1,044
Statutory and other reserves	932
Shareholders' equity	**1,976**
Allowances for losses	428
Total	**2,404**

ISTITUTO MOBILIARE ITALIANO
Public Law Credit Institute
Head Office in Rome

Thursday's AMEX Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

Via The Associated Press

12 Month High	Low	Stock	Div.	Yld.	PE	Sls. 100s	High	Low	Close Quot.	Ch'ge
		A								
12	7⅛	ACI Hld				35	7⅞	7⅞	7⅞	+ ⅛
13⅜	10	ACI pf	1.20	10.4		102	11½	11⅜	11½	
6⅛	1½	ADI				122	2	1¾	1⅞	
16¼	8⅝	AL Lab s			24	15	15	14⅞	14⅞	
16⅜	10¼	AMC s	.10	.7	26	33	13⅝	13½	13⅝	+ ⅛
8⅝	3¼	AM Intl			11	513	7	6⅞	7	
30¼	25⅜	AM Intl pf	2.00	7.2		8	27⅝	27¾	27⅝	— ⅛
4	2⅜	AOI n			16	60	3⅛	2⅞	3⅛	+ ⅛
116½	78	ATT Fd	5.67e	5.1		51	111¾	111¼	111½	+ ¼
15⅞	10⅝	Action			13	191	11⅞	11½	11½	— ¼

AMEX Highs-Lows

NEW HIGHS 6

Excelind · Fitchba GE · GouldLP s · VallyRsc · WebcorEl

NEW LOWS 12

Damson 3pf · Ducomwaun · PatWvoBcs · KnollInst · LeriCo · NuclearDtc · SamsonEgy n · StarrettHsg · WangLabB

Canadian Corporations Post 17% Fall in Profits

Reuters

OTTAWA — Canada's industrial corporations posted a 17.2-percent decline in earnings in the first quarter of 1986, their fall in profits in recent years, Statistics said Thursday.

Pretax profits of the nation's largest industrial concerns fell to 9.1 billion dollars from 10.9 billion in the fourth quarter of 1985. After-tax profit totaled 5.4 billion, compared to 6.3 billion in the previous quarter.

Sales fell to 184.2 billion dollars from billion, while assets grew to 441.5 billion from 439.4 billion. Share capital surged billion dollars from 72.7 billion.

Floating-Rate Notes

July 17

Dollars

Issuer/Mat.	Coupon	Next	Bid	Asked
Belgium Oct99/04	7	14-10	100.02	100.12
Bilbao Intl Aug 01		05-02	99.85	99.95
Central 98/01/06	7⅜	27-08	100.12	100.22
Grindlays 92	7¾	30-07	100.13	100.23
Sweden 89/99	6⅞	28-11	100.09	100.14

Deutsche Marks

E.C.U.

Japanese Yen

Source : Credit Suisse-First Boston London.

ADVERTISEMENT

INTERNATIONAL FUNDS (Quotations Supplied by Funds Listed) 17 July 1986

Net asset value quotations are supplied by the Funds listed with the exception of some quotes based on issue price. The marginal symbols indicate frequency of quotations supplied: (d) — daily; (w) — weekly; (b) — bi-monthly; (r) — regularly; (i) — irregularly.

AL MAL MANAGEMENT
-(w) Al-Mal Trust, S.A. $ 233.90
BANK JULIUS BAER & CO. Ltd.
-(d) Baerbond SF 931.70
-(d) Conbar SF 1476.00
-(d) Equibaer America $ 1293.00
-(d) Equibaer Europe SF 1504.00
-(d) Equibaer Pacific SF 1377.00
-(d) Grobar SF 1128.00
-(d) Stockbar SF 1762.00
BAII MULTICURRENCY
-(r) Multicurrency US$ $ 1090.51
-(r) Multicurrency Ecu ECU 1057.67
-(r) Multicurrency Yen YEN 205,778.00
BNP INTERFUNDS
-(w) Interbond Fund $ 158.76
-(w) Intercurrency US$ $ 10.44
-(w) Intercurrency DM DM 30.28
-(w) Intercurrency Sterling £ 10.02
-(w) Interequity Pacific Offer $ 15.14
-(w) Interequity N. Amer. Offer $ 11.41
BANQUE INDOSUEZ
-(d) Asian Growth Fund $ 17.12
-(w) Diverbond SF 87.30
-(w) FIF-America $ 20.10
-(w) FIF-Europe $ 23.26
-(w) FIF-International $ 15.09
-(w) FIF-Pacific $ 28.56
-(w) Indosuez Multibonds A $ 128.95
-(w) Indosuez Multibonds B $ 225.27
-(d) Indosuez USD (M.M.F) $ 1082.94
BRITANNIA, POB 271, St. Helier, Jersey
-(w) Brit.Dollar Income $ 0.902
-(w) Brit.$ Manag.Curr. $ 12.08
-(d) Brit. Intl.$ Manag.Portf $ 1.504
-(d) Brit. Intl.£ Manag.Portf £ 148.3
-(w) Brit. Am. Inc. & Fd Ltd $ 1.227
-(w) Brit.Gold Fund $ 0.586
-(w) Brit.Manag.Currency £ 16.40
-(d) Brit. Japan Dir Perf. Fd $ 2.375
-(w) Brit.Jersey Gilt Fund £ 0.228
-(d) Brit. Okasan Glob.$ $ 11.50
-(d) Brit. World Leis. Fund $ 1.591
-(d) Brit. World Techn. Fund $ 0.913
BROADGATE INTERNATIONAL FUND
-(d) $ Money Market $ 10.47
-(d) Non-$ Money Market DM 26.25
-(w) $ Bond $ 11.04
-(w) Non-$ Bond DM 28.29
-(w) Global Equity $ 12.21
-(w) Global Bond $ 10.11
-(w) Global Bond & Equity $ 9.96
CAPITAL INTERNATIONAL
-(w) Capital Int'l Fund $ 59.04
-(w) Capital Italia SA $ 29.49
CITICORP INVESTMENT BANK (Lux.)
POB 1373 Luxembourg Tel. 477.95.71
(d) Citinvest Ecu ECU 1090.78
(d) Citinvest Liquidity $ 1057.48
(d) Citinvest Manag. Growth $ 1003.77
CREDIT SUISSE (ISSUE PRICES)
-(d) Actions Suisses SF 475.00
-(d) Bond Valor Swf SF 108.00
-(d) Bond Valor D-mark DM 112.52
-(d) Bond Valor US-DOLLAR $ 126.47
-(d) Bond Valor £ Sterling £ 108.54
-(d) Bond Valor Yen Yen 10,899.00

-(w) Long Term $ 28.52
F&C MGMT. LTD. INV. ADVISERS
1, Laurence Pountney Hill, EC4. 01-623-4680
-(w) F&C Atlantic $ 16.88
-(w) F&C European $ 24.86
-(w) F&C Oriental $ 46.94
FIDELITY POB 670, Hamilton Bermuda
-(m) Fid. Amer. Val.II Com. $ 66.57
-(m) Fid. Amer. Val.II Cum.Pref. $ 102.00
-(m) Fid. Amer. Val.III Com. $ 21.34
-(m) Fid. Amer. Val.III Cum Pref. $ 102.17
-(d) Fidelity Amer. Assets $ 96.72
-(d) Fidelity Australia Fund $ 12.77
-(d) Fidelity Discovery Fund $ 12.55
-(d) Fidelity Dir. Svgs.Tr. $ 133.86
-(d) Fidelity Far East Fund $ 41.74
-(d) Fidelity Int'l. Fund s/s $ 10.94
-(d) Fidelity Orient Fund $ 58.39
-(d) Fidelity Frontier Fund $ 17.40
-(d) Fidelity Pacific Fund $ 220.68
-(d) Fidelity Sect. Growth Fd. $ 23.15
-(d) Fidelity World Fund $ 52.27
FORBES PO 887 GRAND CAYMAN
London Agent 01-839-3013
-(w) Dollar Income $ 7.81
-(w) Forbes High Inc. Gilt Fd. £ 96.60
-(w) Gold Income $ 9.09
-(w) Gold Appreciation $ 5.42
-(m) Strategic Trading $ 1.41
GEFINOR FUNDS
-(w) East Investment Fund $ 456.95
-(w) Scottish World Fund £ 171.45
-(w) State St. American $ 200.80
London: 01-4914230, Geneva: 41-22355530
GLOBAL ASSET MANAGEMENT CORP.
PB 119, St Peter Port, Guernsey, 0481-28715
-(w) FuturGAM S.A. $ 136.52
-(w) GAM Arbitrage Inc. $ 179.00
-(w) GAMerica Inc. $ 211.97
-(w) GAM Australia Inc. $ 106.47
-(w) GAM Boston Inc. $ 145.34
-(w) GAM Ermitage $ 21.38
-(w) GAM Ermitage Int. Inc. $ 10.63
-(w) GAM Franc-val SF 158.45
-(w) GAM France Inc Fr 975.99
-(w) GAM Global Fund $ 102.19
-(w) GAM Hong Kong Inc. $ 103.31
-(w) GAM International Inc. $ 192.12
-(w) GAM Japan Inc. $ 222.30
-(w) GAM North America Inc. $ 154.28
-(w) GAM N.Am. Unit Trust Inc. 128.50 p
-(w) GAM N.Am. Unit Trust Accum. 133.50 p
-(w) GAM Pacific Inc. $ 227.42
-(w) GAM Pens. & Char. Worldw. 149.50 p
-(w) GAM Pens. & Char. U.K. Fd. 131.70 p
-(w) GAMrint $ 142.19
-(w) GAM Singapore/Malay Inc. $ 89.54
-(w) GAM Sterl & Intl Unit Trust 209.75
-(w) GAM Tyche S.A. Class A $ 149.50
-(w) GAMtrends Inc. $ 116.88
-(w) GAM U.S. Inc. $
-(w) GAMut Inc. $
-(w) GAM Worldwide Inc. $ 263.95
-(w) GSAM Composite Inc. $ 130.68
-(w) GSAM Int. Inc. U.S Ord. $ 121.36
-(w) GSAM Interest Inc. U.S Spe. $ 113.31
-(w) GSAM Interest Inc. SF 104.45

-+(w) Lloyds Int'l Dollar $ 118.00
-+(w) Lloyds Int'l Europe SF 148.80
-+(w) Lloyds Int'l Growth SF 198.90
-+(w) Lloyds Int'l Income SF 309.50
-+(w) Lloyds Int'l N. America $ 132.35
-+(w) Lloyds Int'l Pacific SF 168.98
-+(w) Lloyds Int'l. Smaller Cos. $ 16.52
NIMARBEN
-(d) Class A $ 103.04
-(w) Class B - U.S. $ 161.07
-(w) Class C - Japan $ 149.96
OBLIFLEX LIMITED
-(w) Multicurrency $ 14.05
-(w) Dollar Medium Term $ 12.75
-(w) Dollar Long Term $ 14.33
-(w) Japanese Yen $ 18.49
-(w) Pound Sterling £ 12.60
-(w) Deutsche Mark DM 11.59
-(w) Dutch Florin FL 11.39
-(w) Swiss Franc SF 10.49
-(w) Swiss Multicurrency SF 10.84
-(w) European Currency ECU 11.39
-(d) Belgian Franc BF 101.13
-(w) French Franc SF 9.63
ORANGE NASSAU GROUP
PB 85578, The Hague (070) 469670
-(d) Bever Beleggingen $ 30.40
PARISBAS-GROUP
-(d) Cortexa International $ 106.10
-(d) ECUPAR ECU 1125.05
-(w) OBLI-DM DM 1244.00
-(w) OBLIGESTION SF 94.70
-(w) OBLI-DOLLAR $ 1277.98
-(w) OBLI-YEN Y 106,254
-(w) OBLI-GULDEN FL 1121.15
-(d) PAROIL-FUND $ 88.63
-(d) PAREUROPE GROWTH $ 15.86
-(d) PARINTER FUND $ 168.55
-(d) PARINTER BOND FUND $ 12.30
-(d) PAR US Treas. Bond 'Cl. B' $ 134.52
PUTNAM
-(d) Emerging Hlth Sc. Trust $ 13.35
(w) Putnam Em. Info. Sc. Tr. $ 9.41
(d) Putnam Int'l Fund $ 102.88
ROYAL B. CANADA, POB 246, GUERNSEY
-+(w) RBC Canadian Fund Ltd. $ 13.73
-+(w) RBC Far East&Pacific Fd. $ 20.04
-+(w) RBC Int'l Capital Fd. $ 38.16
-+(w) RBC Int'l Income Fd. $ 12.75
-+(d) RBC Man.Currency Fd. $ 30.19
+(w) RBC North Amer. Fd. $ 14.10
SKANDIFOND INTL. FUND (46-8-236270)
-(w) Intl Inc.Fd: Bid.$ 8.86 Offer.$ 9.40
-(w) Intl Acc.Fd: Bid.$ 9.00 Offer.$ 9.63
-(w) Inc. Bond Fd. Bid 56.13 Offer 56.39
-(w) Acc. Bond Fd. Bid 56.12 Offer 56.38
-(w) Far East Fd. Bid $ 0.98 Offer 51.04
SVENSKA INTERNATIONAL LTD.
17 Devonshire Sq., London-01-377-8040
-(r) SHB Bond Fund $ 29.86
-(w) SHB Intl Growth Fund $ 40.23
SWISS BANK CORP. (ISSUE PRICES)
-(d) America-Valor SF 457.25
-(d) Dollar Bond Selection $ 142.76
-(d) D-Mark Bond Selection DM 121.42
-(d) Florin Bond Selection FL 126.48
-(d) Intervalor SF 83.50

(w) Aquila International Fund $ 247.85
(r) Arab Finance I.F. $ 1018.77
(r) Artane $ 2456.94
(d) Asia Pac. Growth Fd N.V. $ 24.75
( ) Australia Fund $ 8.83
(b) Blao Saudi Bond Fund $ 157.36
(w) Bondselex-Issue Pr. SF 131.45
(w) Callander Emer. Gr. $ 90.88
(m) Canada Gtd-Mortgage Fd. $ 10.24
(d) Capital Preserv. Fd. Intl. $ 12.16
(w) Citadel Fun. $ 1.82
(w) Chitrust US $ Equities $ 185.01
(m) Cleveland Offshore Fd. $ 2963.08
(w) Columbia Securities FL 104.12
(r) COMETE $ 990.22
(w) Convert. Fd. Int'l A Certs. $ 15.81
(w) Convert. Fd. Int'l B Certs. $ 47.29
(w) Cumber Intl N.V. $ 195.35
(w) Daiwa Japan Fund Y 72,647
(w) D.G.C. $ 132.97
-(d) Dollar-Baer bond Fd. $ 1182.00
-(d) D-mark-Baer Bond Fd. DM 1073.00
(d) D. Witter Wld Wide Ivt Tst $ 17.10
(r) Drakkar Invest.Fund N.V. $ 1426.96
(d) Dreyfus America Fund $ 12.22
(d) Dreyfus Fund Int'l. $ 46.68
(w) Dreyfus Intercontinent $ 47.10
(d) ECU Multiplacement Eco 1012.90
(d) Europe Obligations Ecu 69.71
(d) Esprit Sicav $ECU 977.53
(w) First Eagle Fund $ 21,291.12
(r) Fifty Stars Ltd. $ 1105.92
(w) F.I.T. FUND FF FF 96.68
(w) Fonselex Issue Pr. SF 213.65
(w) Forexfund $ 8.74
(w) Formula Selection Fd. SF 63.38
(d) Fonditalia $ 62.68
(d) Frankf-Trust Interzins DM 44.42
(w) George V INV. BOND F. $ 14.56
(d) Governm. Sec. Fonds $ 81.35
(w) Haussmann Hldgs. N.V. $ 200.85
-(w) Health 2000 Ltd $ 9.40
(w) Hestia Funds $ 130.35
(w) Horizon Fund $ 1701.10
(m) IBEX Holdings Ltd. SF 145.61
(r) ILA-IGB (15/06) $ 9.73
(r) ILA-IGS (15/06) $ 10.50
(m) IncAmerica N.V. $ 11.32
(d) Interfund SA $ 37.02
(w) Intermarket Fund $ 322.13
(r) Int'l Securities Fund $ 24.57
(d) Investa DWS DM 62.87
(r) Invest Atlantiques $ 15.50
(r) Italfortune Int'l Fund SA $ 36.58
(w) Japan Selection Fund $ 193.82
(w) Japan Pacific Fund $ 203.30
(m) Jeffer Ptns. Intl. Ltd. $ 13,121.83
(d) Kleinwort Benson Int'l Fd. $ 27.96
(w) Kleinwort Bend. Jap. Fd. $ 159.95
(w) Korea Growth. Trust KW 13,928.14
(d) Leicom Fund $ 2064.42
(w) Leverage Cap Hold. $ 250.65
(d) Liquibaer $ 1436.00
(w) Luxfund $ 115.20
(d) Medialorum Sel. Fd. $ 35.49
(r) Meteore Y 128,594.00

DM - Deutsche Mark; BF - Belgium Francs; FL - Dutch Florin; LF - Luxembourg Francs; ECU - European Currency Unit; SF - Swiss Francs; a - asked; + - Offer Prices; b - bid change P/V $10 to $1 per unit; N.A. - Not Available; N.C. - Not Communicated; o - New; S - suspended; S/S - Stock Split; * - Ex-Dividend; ** - Ex-Rts; - - Gross Performance Index December; • - Redempt. Price. Ex-Coupon; •• - Formerly Worldwide Fund Ltd; @ - Offer Price incl. 3% prelim. charge; ++ - daily stock price as on Amsterdam Stock Exchange

GEFINOR S.A.
Luxembourg

The annual general meeting declared the dividend of US $ 15 per share.
This dividend is payable against the coupon n° 1

- Société Générale, Paris
- Gefinor Finance, Geneva
- Paribas, Luxembourg
- Lloyds Bank, London

15 Chesterfield street - W1

Synelog - Paris

MANUFACTURE FRANCAISE DES PNEUMATIQUES
MICHELIN
10% bonds 1979/1994
of U.S. $1,000.00
Redemption before due date

Supplement to the advice published on July 8, 1986.
Paying Agent: B.N.P. - PARIS

مكتبة الأصل

مكبرة من الأصل

CURRENCY MARKETS

Dollar Mixed in Hesitant Trading

Compiled by Our Staff From Dispatches

NEW YORK — The dollar was ostly lower Thursday in subdued nd hesitant trading as the market aited for direction from central nks.

"The market is in one of those tuations where no one knows hat to do," said David Palmer, nior vice president at First American Bank of New York. "There is increasing opinion that the dol r will go lower, but more partici nts are thinking this may be the ttom."

The dollar remains at a post- ld War II low against the yen, d near a five-year low against the utsche mark, the two major ding currencies.

In New York, it closed at 2.1465 , unchanged from 2.1465 DM Wednesday; at 1.7420 Swiss ncs, down from 1.744; at 6.9290 nch francs, down from 6.9335, at 156.80, down from 157.80. ding was barely weaker, at 12 from $1.514.

n Tokyo, the dollar closed at .15 yen, down from the previous record Tokyo low, set Wednesday, of 158 yen.

Mr. Palmer echoed most participants that fear of central bank intervention has dampened further speculation for the time being.

West Germany and Japan show no sign of giving in to U.S. pressure to reduce their discount rates and take other measures to boost their economies and indeed seem to be making a point of resisting it.

There was no sign of central bank intervention again Thursday, but there was some speculation that the Bank of Japan might have bought some dollars directly from the Federal Reserve.

A Bank of Japan official said Thursday that the dollar has dropped "as far as it can go."

In London, the pound rebounded from recent oil price worries that were sidelined by the weak dollar and closed at $1.5155, up from $1.514. Sterling rose to 3.2548 DM from 3.2515, and to 2.642 Swiss francs from 2.6393; but fell to 238.60 yen from 239.675.

In London, the dollar fell to 157.35 yen from 158.30 on Wednesday and to 2.1475 Deutsche marks, from 2.1495 DM.

Traders are already gearing up for Tuesday's release of second-quarter gross national product figures. Weak growth could hit the dollar hard, they said.

"If the forecasts are right, the dollar will hit 2.10 marks in no time at all," one Frankfurt dealer said.

In earlier trading, the dollar was fixed at 2.1476 DM in Frankfurt, down from 2.1526 DM, and at 6.9388 French francs in Paris, down from 6.9515. In Zurich, the dollar closed at 1.744 Swiss francs, up slightly from 1.7363 on Wednesday. *(Reuters, AP, UPI)*

London Dollar Rates

Closing	Thu.	Wed.
Deutsche mark	2.1475	2.1495
Pound sterling	1.5155	1.5140
Japanese yen	157.35	158.30
Swiss franc	1.7430	1.7433
French franc	6.9324	6.9425

Source: Reuters

E EUROMARKETS

0-Billion-Yen Bond Issued for World Bank

By Christopher Pizzey
Reuters

ONDON — The dollar- ght sector of the Eurobond et ended on a slightly easier as U.S. bonds traded lower, rs said. News that housing fell in June in the United helped to underpin prices, added.

e primary market saw one new r straight, but the day's big- issue was a 50-billion-yen ht for the World Bank. The ar issue had a 5¾-percent cou nd was priced at 100½. Lead ger was Nikko Securities Co. pe) Ltd. It was quoted at a unt of 1⅜ on the gray market, the total fees of 1⅞ percent.

e Euroyen sector saw another during the day, a 10-billion- bond for Bayerische Vereins- Overseas Finance NV. The ear issue pays 5⅞ percent and riced at 101½. It was jointly lead managed by Bayerische Vereinsbank itself and Sumitomo Finance International. It ended inside the total fees of 1⅞ percent at a discount of 1⅝.

Société Nationale des Chemins de Fer issued a $100-million, partly paid, straight paying 7¼ percent over seven years and priced at 99⅞. Fifteen percent of the issue is payable in September with the balance due in a year. It was led by Société Générale and ended just within the 1⅞-percent fees.

In the floating-rate notes, a $100-million collateralized note was launched for Santa Barbara Savings & Loan. The 10-year issue pays 1/16 point over the three-month London interbank offered rate and was issued in targeted registered form. It traded within the 30-basis-point fees.

In other new-issue activity, Den Norske Creditbank issued a bond for 250 million Danish kroner paying 9⅝ percent over five years and priced at 100½. The issue ended well within the total fees of 1⅞ percent at a discount of 1⅛.

Also launched was a $70-million equity-warrant bond for Mitsui Petrochemical Industries Ltd.

U.S. Basic Money Supply Rises by $7.4 Billion

The Associated Press

NEW YORK — The United States' basic money supply surged ahead by $7.4 billion in early July, the Federal Reserve Board reported Thursday.

The Fed said M-1 rose to a seasonally adjusted average of $673.9 billion in the week ended July 7 from $666.5 billion the previous week. M-1 includes cash in circulation, deposits in checking accounts and non-bank travelers checks.

Bonn Aide Says GNP Grew 3%

International Herald Tribune

FRANKFURT — West Germany's gross national product grew at annual rate of more than 3 percent in the second quarter, a senior Finance Ministry official said Thursday.

After an annual growth rate of about zero in the first quarter, second-quarter GNP grew "at an annual rate above 3 percent based mainly on an upturn in private consumption and investment," according to Hans Tietmeyer, state secretary in the ministry and close adviser to Finance Minister Gerhard Stoltenberg.

Mr. Tietmeyer said that government estimates for 3.5-percent growth this year in GNP, the total value of a nation's goods and services, are "still generally correct." Numerous banks and research institutes have revised downward their GNP forecasts to 3.0- or 2.5-percent growth for 1986.

DESIGN:

Suiting the User

(Continued from first finance page)

workplace, measuring how they perform certain tasks. An analysis of the data gathered produces the first prototype. Next, the users work with the prototype to see what revisions must be made.

TRW tests the prototype at special centers. These centers can simulate the user's actual workplace, including the noise level, lighting and decor. When the users are satisfied, a final software package is produced.

"Most users are not good at constructing and articulating conceptual notions," said Jon A. Turner, a professor of computer applications and information systems at the New York University School of Business. "Prototyping makes it easier for the user to visualize the system."

Unlike TRW's approach, Martin Marietta, the data systems and aerospace company, uses artificial intelligence in its $11-million program to help the user establish requirements.

Company Results

Revenue and profits or losses, in millions, are in local currencies unless otherwise indicated.

United States

Amer. Express

2nd Quar.	1986	1985
Revenue	3,620.	2,900.
Net Inc.	358.9	140.2
Per Share	1.59	0.61
1st Half	1986	1985
Revenue	7,220.	6,530.
Net Inc.	679.9	291.8
Per Share	2.99	1.28

Bard (C.R.)

2nd Quar.	1986	1985
Revenue	135.5	114.4
Net Inc.	12.7	10.6
Per Share	0.42	0.35
1st Half	1986	1985
Revenue	263.9	225.7
Net Inc.	24.6	20.6
Per Share	0.82	0.68

Baybanks

2nd Quar.	1986	1985
Net Inc.	14.2	11.4
Per Share	0.91	0.83
1st Half	1986	1985
Net Inc.	27.0	21.0
Per Share	1.80	1.56

Nets include provisions for losses of $4.1 million vs $2.6 million in quarters and of $8.4 million vs $5 million in six months.

Calfed

2nd Quar.	1986	1985
Net Inc.	44.5	39.3
Per Share	1.61	1.59
1st Half	1986	1985
Net Inc.	81.1	62.8
Per Share	3.01	2.55

Champion Int'l

2nd Quar.	1986	1985
Revenue	1,100.	1,600.
Net Inc.	50.5	43.3
Per Share	0.51	0.42
1st Half	1986	1985
Revenue	2,220.	3,240.
Net Inc.	72.5	87.1
Per Share	0.71	0.85

Cityfed Financial

2nd Quar.	1986	1985
Net Inc.	20.2	16.9
Per Share	0.82	0.73
1st Half	1986	1985
Net Inc.	36.8	32.4
Per Share	1.46	1.40

1985 nets include charge of $787,000. 1986 results include Kissell Co., acquired May 31.

Coca-Cola

2nd Quar.	1986	1985
Revenue	2,460.	1,980.
Net Inc.	225.5	196.1
Per Share	0.58	0.50
1st Half	1986	1985
Revenue	4,370.	3,680.
Net Inc.	386.7	337.3
Per Share	1.00	0.86

1985 nets include gains of $2.5 million in quarter and of $3.8 million in six months from discontinued operations.

Dow Chemical

2nd Quar.	1986	1985
Revenue	2,900.	3,000.
Net Inc.	227.0	155.0
Per Share	1.19	0.81
1st Half	1986	1985
Revenue	5,760.	5,760.
Net Inc.	402.0	265.0
Per Share	2.11	1.39

1986 nets exclude charge of $5 million.

Dun & Bradstreet

2nd Quar.	1986	1985
Revenue	766.6	661.2
Net Inc.	89.2	77.0
Per Share	1.17	1.01
1st Half	1986	1985
Revenue	1,520.	1,290.
Net Inc.	174.1	145.3
Per Share	2.29	1.91

Eastern Gas & Fuel

2nd Quar.	1986	1985
Revenue	270.0	334.8
Oper Net	10.5	9.12
Oper Share	0.45	0.40
1st Half	1986	1985
Revenue	661.6	719.6
Oper Net	35.0	27.3
Oper Share	1.51	1.19

1985 nets exclude losses of $259,000 in quarter and of $524,000 in six months from discontinued operations.

Emery Air Freight

2nd Quar.	1986	1985
Revenue	218.7	224.3
Net Inc.	0.69	6.13
Per Share	0.04	0.32
1st Half	1986	1985
Revenue	423.8	428.6
Net Inc.	(a)8.90	7.79
Per Share	—	0.41

a: loss. 1985 six-month net includes loss of $222,000 from discontinued operations.

Emhart

2nd Quar.	1986	1985
Revenue	527.9	449.5
Net Inc.	19.8	26.7
Per Share	0.67	0.96
1st Half	1986	1985
Revenue	1,040.	869.4
Net Inc.	37.8	42.1
Per Share	1.32	1.52

Fidelcor

2nd Quar.	1986	1985
Net Inc.	18.4	12.6
Per Share	1.06	0.99
1st Half	1986	1985
Oper Net	31.4	23.7
Oper Share	2.07	1.88

1985 six-month net excludes Loss of $2.7 million from Change in accounting. Per share results adjusted for 2-for-1 split in May.

First Florida Banks

2nd Quar.	1986	1985
Net Inc.	11.4	11.5
Per Share	0.72	0.73
1st Half	1986	1985
Net Inc.	22.8	21.5
Per Share	1.44	1.37

Fort Howard Paper

2nd Quar.	1986	1985
Revenue	394.1	373.1
Net Inc.	46.77	43.77
Per Share	0.70	0.69
1st Half	1986	1985
Revenue	713.6	681.7
Net Inc.	83.75	78.96
Per Share	1.25	1.21

Gannett

2nd Quar.	1986	1985
Revenue	716.2	556.9
Net Inc.	77.2	71.8
Per Share	0.96	0.90
1st Half	1986	1985
Revenue	1,330.	1,040.
Net Inc.	122.0	113.1
Per Share	1.51	n.a.

Grace (W.R.) & Co.

2nd Quar.	1986	1985
Revenue	1,410.	1,370.
Net Inc.	86.4	40.2
Per Share	2.06	0.82
1st Half	1986	1985
Revenue	2,680.	2,550.
Net Inc.	83.3	77.3
Per Share	1.98	1.49

1986 nets include gain of $83 million from sale of interest.

Grainger (W.W.)

2nd Quar.	1986	1985
Revenue	298.5	284.6
Oper Net	18.8	17.7
Oper Share	0.65	0.61
1st Half	1986	1985
Revenue	559.1	537.2
Oper Net	35.0	31.5
Oper Share	1.20	1.09

Nets exclude gains of $11.3 million in 1986 six months vs $1.2 million and $2.1 million in 1985 quarter and six months from discontinued operations. 1985 results restated.

Gt American First

2nd Quar.	1986	1985
Revenue	329.7	231.4
Net Inc.	23.17	10.35
Per Share	1.04	0.55
1st Half	1986	1985
Revenue	584.4	452.8
Net Inc.	39.26	16.53
Per Share	1.86	0.88

Gt Nthern Nekoosa

2nd Quar.	1986	1985
Revenue	502.1	480.6
Net Inc.	(a)10.30	12.4
Per Share	—	0.49
1st Half	1986	1985
Revenue	989.7	978.8
Net Inc.	13.6	26.3
Per Share	0.32	1.00

a: loss. 1986 quarter net includes charge of $41 million.

Gt Western Financial

2nd Quar.	1986	1985
Net Inc.	74.6	45.3
Per Share	1.57	1.00
1st Half	1986	1985
Net Inc.	145.3	77.3
Per Share	3.07	1.76

GTE

2nd Quar.	1986	1985
Revenue	4,200.	3,900.
Net Inc.	309.0	285.0
Per Share	1.38	1.33
1st Half	1986	1985
Revenue	8,200.	7,600.
Net Inc.	591.0	558.0
Per Share	2.67	2.62

Hartford National

2nd Quar.	1986	1985
Net Inc.	25.7	19.4
Per Share	1.12	1.02
1st Half	1986	1985
Net Inc.	47.1	36.5
Per Share	2.14	1.93

Results restated. 1986 results include Provident Institution for Savings, acquired April 1.

Homestead Financial

2nd Quar.	1986	1985
Net Inc.	6.55	4.00
Per Share	1.11	0.69
1st Half	1986	1985
Net Inc.	11.9	5.20
Per Share	2.01	0.91

1986 nets include loss of $10.9 million.

Hospital Cp Amer.

2nd Quar.	1986	1985
Revenue	1,510.	1,200.
Net Inc.	68.9	92.6
Per Share	0.82	1.02
1st Half	1986	1985
Revenue	3,010.	2,390.
Net Inc.	162.9	196.9
Per Share	1.92	2.18

Huntington Bkshares

2nd Quar.	1986	1985
Net Inc.	15.4	13.8
Per Share	0.63	0.56
1st Half	1986	1985
Net Inc.	29.8	25.6
Per Share	1.23	1.09

IC Industries

2nd Quar.	1986	1985
Revenue	1,110.	1,060.
Net Inc.	34.2	34.5
Per Share	0.32	0.32
1st Half	1986	1985
Revenue	2,130.	2,060.
Net Inc.	59.4	49.2
Per Share	0.55	0.45

Per share results adjusted for 2-for-1 split July 1.

Kaiser Aluminum

2nd Quar.	1986	1985
Revenue	554.2	517.7
Net Loss	29.6	32.1
1st Half	1986	1985
Revenue	1,080.	989.7
Net Loss	22.4	57.6

Nets include tax credits of $6.4 million vs $24.8 million in quarters. 1985 nets also include losses of $2.5 million in quarter and of $3.3 million in six months from discontinued operations.

Kroger

2nd Quar.	1986	1985
Revenue	4,280.	3,990.
Net Inc.	51.54	46.73
Per Share	1.18	1.07
1st Half	1986	1985
Revenue	8,450.	7,810.
Net Inc.	83.81	78.12
Per Share	1.92	1.77

1986 per share results after preferred dividends.

Lukens

2nd Quar.	1986	1985
Revenue	105.9	111.6
Net Inc.	6.81	1.08
Per Share	1.38	0.21
1st Half	1986	1985
Revenue	198.8	212.2
Net Inc.	18.4	5.06
Per Share	1.48	0.14

1986 nets include gain of $8.9 million.

Mack Trucks

2nd Quar.	1986	1985
Revenue	481.4	593.2
Oper Net	12.1	4.3
Oper Share	0.41	0.11
1st Half	1986	1985
Revenue	878.6	1,140.
Oper Net	(a)0.60	7.7
Oper Share	—	0.21

a: loss. Nets exclude gains of $1.9 million vs $33,000 in quarters and of $2.8 million vs $601,000 in six months.

McGraw-Hill

1st Half	1986	1985
Revenue	711.2	682.8
Net Inc.	64.9	63.25
Per Share	1.28	1.25

Nashua

2nd Quar.	1986	1985
Revenue	177.1	153.9
Net Inc.	5.8	3.9
Per Share	0.60	0.41
1st Half	1986	1985
Revenue	346.1	301.6
Net Inc.	11.5	7.9
Per Share	1.19	0.84

Per share results adjusted for 2-for-1 split in June.

National City

2nd Quar.	1986	1985
Net Inc.	33.7	25.8
Per Share	1.21	0.94
1st Half	1986	1985
Net Inc.	64.2	49.3
Per Share	2.32	1.81

Northrop

2nd Quar.	1986	1985
Revenue	1,390.	1,220.
Net Inc.	23.1	91.9
Per Share	0.49	1.99
1st Half	1986	1985
Revenue	2,680.	2,310.
Net Inc.	62.4	137.4
Per Share	1.34	2.97

1985 nets include gains of $50 million in quarter and of $54 million in six months.

Olin

2nd Quar.	1986	1985
Revenue	440.8	460.7
Net Inc.	30.0	15.8
Per Share	1.31	0.69
1st Half	1986	1985
Net Inc.	55.3	31.4
Per Share	2.42	1.37

1986 nets include gain of $15.3 million from sale of property.

Owens-Corning Fib.

2nd Quar.	1986	1985
Revenue	925.3	789.9
Net Inc.	34.9	20.2
Per Share	1.16	0.68
1st Half	1986	1985
Revenue	1,790.	1,470.
Net Inc.	57.8	48.2
Per Share	1.93	1.63

1986 results include Aerospace & Strategic Materials, acquired in Sept.

Pfizer

2nd Quar.	1986	1985
Revenue	1,100.	1,000.
Net Inc.	156.1	137.5
Per Share	0.92	0.81
1st Half	1986	1985
Revenue	2,200.	1,900.
Net Inc.	325.0	284.9
Per Share	1.92	1.69

Philip Morris

2nd Quar.	1986	1985
Revenue	6,530.	3,720.
Net Inc.	377.0	322.0
Per Share	1.58	1.34
1st Half	1986	1985
Revenue	12,460.	7,030.
Net Inc.	693.0	578.0
Per Share	2.90	2.40

Per share results restated for 2-for-1 split in April.

Republic New York

2nd Quar.	1986	1985
Net Inc.	43.5	30.0
Per Share	1.44	0.97
1st Half	1986	1985
Net Inc.	76.1	59.3
Per Share	2.54	1.92

Rockwell Int'l

3rd Quar.	1986	1985
Revenue	3,130.	2,950.
Net Inc.	163.3	160.2
Per Share	1.10	1.07
9 Months	1986	1985
Revenue	8,978.	8,154.
Net Inc.	449.4	455.3
Per Share	3.01	3.06

Rohm & Haas

2nd Quar.	1986	1985
Revenue	569.0	553.6
Net Inc.	33.1	41.4
Per Share	0.48	0.59
1st Half	1986	1985
Revenue	1,110	1,100
Net Inc.	71.4	81.7
Per Share	1.04	1.14

Scott Paper

2nd Quar.	1986	1985
Revenue	829.5	761.1
Net Inc.	56.3	53.1
Per Share	1.50	1.10
1st Half	1986	1985
Revenue	1,630.	1,460.
Net Inc.	95.4	95.2

Security Pacific

2nd Quar.	1986	1985
Net Inc.	93.5	79.2
Per Share	1.19	1.08
1st Half	1986	1985
Net Inc.	181.4	152.7
Per Share	2.30	2.08

Nets include provision for losses of $89.1 million vs $61.9 million in quarters and of $205.3 million vs $148.7 million in six months.

Shaw Industries

4th Quar.	1986	1985
Revenue	156.9	137.4
Net Inc.	8.22	7.26
Per Share	0.48	0.43
Year	1986	1985
Revenue	550.0	519.5
Net Inc.	24.1	25.9
Per Share	1.41	1.52

Per share results adjusted for 100% stock dividend in May.

Sherwin-Williams

2nd Quar.	1986	1985
Revenue	598.4	606.6
Net Inc.	30.5	28.5
Per Share	0.65	0.61
1st Half	1986	1985
Revenue	1,100.	1,090.
Net Inc.	37.4	34.2
Per Share	0.80	0.73

1986 net includes gains of $1.62 million in quarter and $2.81 million in half from pension accounting change.

Savran Financial

2nd Quar.	1986	1985
Net Inc.	36.9	32.5
Per Share	0.85	0.76
1st Half	1986	1985
Net Inc.	71.2	61.9
Per Share	1.67	1.46

Stanley Works

2nd Quar.	1986	1985
Revenue	[illegible]	[illegible]
Net Inc.	19.6	[illegible]
Per Share	0.70	0.70
1st Half	1986	1985
Revenue	[illegible]	[illegible]
Net Inc.	35.2	[illegible]
Per Share	[illegible]	[illegible]

Sundstrand

2nd Quar.	1986	1985
Revenue	343.3	[illegible]
Net Inc.	19.74	[illegible]
Per Share	[illegible]	[illegible]
1st Half	1986	1985
Revenue	[illegible]	[illegible]
Net Inc.	36.85	32.50
Per Share	[illegible]	1.75

Texas Amer. Bkshrs

2nd Quar.	1986	1985
Net Inc.	[illegible]	8.85
Per Share	[illegible]	0.81
1st Half	1986	1985
Net Inc.	(a)21.3	16.5
Per Share	—	1.51

a: Loss.

Texas Commerce

2nd Quar.	1986	1985
Net Inc.	10.5	[illegible]
Per Share	[illegible]	0.95
1st Half	1986	1985
Net Inc.	[illegible]	[illegible]
Per Share	0.94	1.85

Nets include gains of $6.4 million vs $12.6 million in quarters and of $6.5 million vs [illegible] million in six months.

Todd Shipyards

1st Quar.	1987	1986
Revenue	[illegible]	[illegible]
Net Inc.	1.24	[illegible]
Per Share	0.30	[illegible]

Utd Banks Colorado

2nd Quar.	1986	1985
Net Inc.	7.90	[illegible]
Per Share	0.70	[illegible]
1st Half	1986	1985
Net Inc.	15.1	[illegible]
Per Share	[illegible]	1.45

Utd Jersey Banks

2nd Quar.	1986	1985
Net Inc.	13.4	[illegible]
Per Share	0.83	[illegible]
1st Half	1986	1985
Net Inc.	26.4	[illegible]
Per Share	[illegible]	[illegible]

U.S. Bancorp

2nd Quar.	1986	1985
Net Inc.	[illegible]	[illegible]
Per Share	[illegible]	0.74
1st Half	1986	1985
Net Inc.	[illegible]	[illegible]
Per Share	1.34	[illegible]

Per share results adjusted for 3-for-2 split [illegible]

Valley National

2nd Quar.	1986	1985
Net Inc.	[illegible]	[illegible]
Per Share	0.84	[illegible]
1st Half	1986	1985
Net Inc.	14.2	[illegible]
Per Share	[illegible]	[illegible]

Per share results adjusted for 3-for-2 stock split in May 1985.

Walt Disney

3rd Quar.	1986	1985
Revenue	[illegible]	[illegible]
Net Inc.	[illegible]	[illegible]
Per Share	0.55	[illegible]
9 Months	1986	1985
Revenue	[illegible]	[illegible]
Net Inc.	166.2	[illegible]
Per Share	1.21	[illegible]

Warner-Lambert

2nd Quar.	1986	1985
Revenue	[illegible]	[illegible]
Oper Net	[illegible]	[illegible]
Oper Share	[illegible]	[illegible]
1st Half	1986	1985
Revenue	[illegible]	[illegible]
Oper Net	[illegible]	[illegible]
Oper Share	2.45	1.61

1986 six-month net includes gain of $48 million from sale

Wells Fargo

2nd Quar.	1986	1985
Net Inc.	[illegible]	47.43
Per Share	2.33	[illegible]
1st Half	1986	1985
Net Inc.	[illegible]	92.43
Per Share	4.59	4.00

Thursday's OTC Prices

NASDAQ prices as of 3 p.m. New York time.
Via The Associated Press

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the year's high-low range and dividend are shown for the new stock only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a — dividend also extra(s)./l
b — annual rate of dividend plus stock dividend./l
c — liquidating dividend./l
cld — called./l
d — new yearly low./l
e — dividend declared or paid in preceding 12 months./l
g — dividend in Canadian funds, subject to 15% non-residence tax.
i — dividend declared after split-up or stock dividend.
j — dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting.
k — dividend declared or paid this year, an accumulative issue with dividends in arrears.
n — new issue in the past 52 weeks. The high-low range begins with the start of trading.
nd — next day delivery.
P/E — price-earnings ratio.
r — dividend declared or paid in preceding 12 months, plus stock dividend.
s — stock split. Dividend begins with date of split.
sls — sales.
t — dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date.
u — new yearly high.
v — trading halted.
vi — in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies.
wd — when distributed.
wi — when issued.
ww — with warrants.
x — ex-dividend or ex-rights.
xdis — ex-distribution.
xw — without warrants.
y — ex-dividend and sales in full.
yld — yield.
z — sales in full.

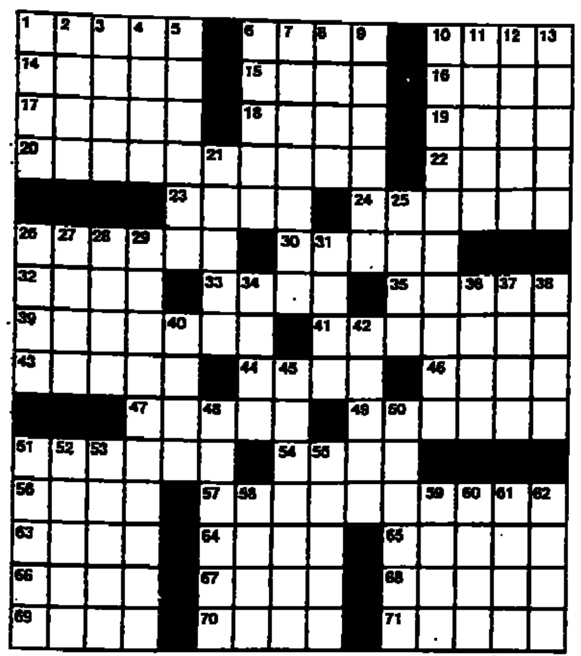
West German Surplus Is Expected to Widen

Reuters

FRANKFURT — This year's sharp fall in the oil price in Deutsche mark terms will lead to a clear widening in 1986 of West Germany's current account surplus, which would otherwise have narrowed, the Bundesbank said Thursday in its July monthly report.

Outside the energy sector, factors are at work that already point to a correction in the surplus. They include "secondary effects" on both imports and exports from the oil price drop.

West Germany had a record current account surplus of 39.8 billion DM ($18.5 billion) in 1985, and a record trade surplus of 74.4 billion DM, latest Bundesbank figures show. The current account measures a country's trade in goods and services as well as interest, dividends and certain transfers.



7/18/86

ACROSS

- 1 Ocelots have lots of ——
- 6 Part of Q.E.F.
- 10 Outerwear
- 14 Game fish
- 15 Tenor Maison
- 16 Exclusive
- 17 Maurois's biography of Shelley
- 18 Pro——
- 19 Octagonal road sign
- 20 Home of the Daily Planet
- 22 This is below a poll
- 23 Bamako is its capital
- 24 Fled to wed
- 26 Fishy sign
- 30 Device for Figaro
- 32 Theta chaser
- 33 Cheerio!
- 35 Expenses
- 39 Hipster's cousin
- 41 Doxy
- 43 Living "teddy bear"
- 44 Kind of rug
- 46 New Rochelle campus
- 47 Teed off
- 49 Garment for a Model T driver
- 51 Catawbas, e.g.
- 54 Proper partner
- 56 Adriatic resort
- 57 Ancient ruined city on the Nile
- 63 Three monkeys' word
- 64 Drought ender
- 65 Byzantine empress
- 66 Eighteen-wheeler, for short
- 67 Farewells from Fabius
- 68 Teton or Wasatch
- 69 Fr. holy women
- 70 Early dweller in what is now NW Iran
- 71 First word of many a script

DOWN

- 1 Con
- 2 Ponder
- 3 Short post-mortem biog.
- 4 Layer
- 5 "Sadie—— . . ." 1909 Berlin song
- 6 Fauntleroy
- 7 Twain or Whitman
- 8 Opposer
- 9 Ecdysiast
- 10 New York or Hong Kong
- 11 Available
- 12 Like Garbo
- 13 Did a pool job
- 21 Rigatoni, e.g.
- 25 Having bats in the belfry
- 26 Select
- 27 M
- 28 Place to speak Greek
- 29 Son of Alcathous
- 31 "Soap" name
- 34 Rat-——
- 36 Las Vegas machine
- 37 Irish revolutionist Wolfe
- 38 Gaff
- 40 Forty-year-old org.
- 42 Media medium
- 45 Echoed
- 48 Place for a sadhu
- 50 Strike caller
- 51 Co-star of "Cagney and Lacey"
- 52 Fastener
- 53 "Brother, Can You Spare ——?": 1932 song
- 55 Wash cycle
- 58 Roof overhang
- 59 Algerian seaport
- 60 Period after Mardi Gras
- 61 "Picnic" author
- 62 Haruspex

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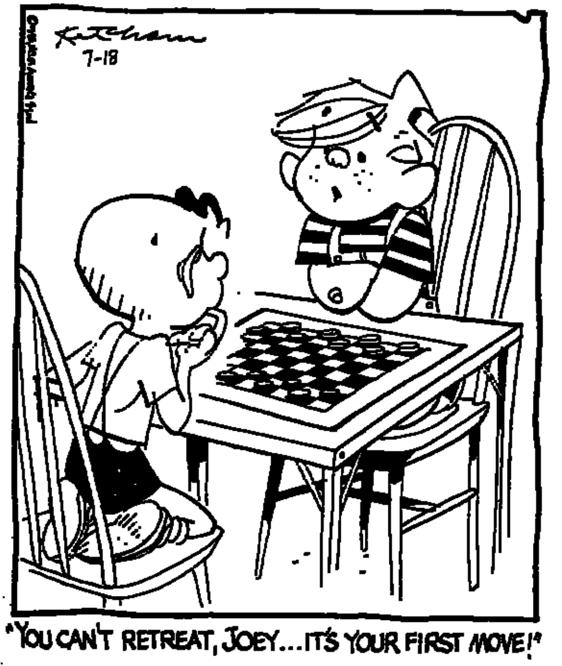
DENNIS THE MENACE



"YOU CAN'T RETREAT, JOEY...IT'S YOUR FIRST MOVE!"

JUMBLE

THAT SCRAMBLED WORD GAME by Henri Arnold and Bob Lee

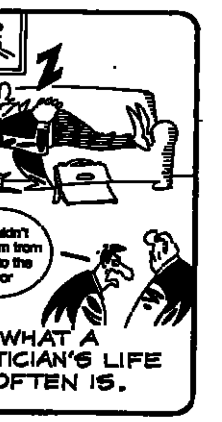
Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

HIMEC ☐☐☐☐○

MESOO ☐☐☐○○

BEEDAT ○☐○☐☐☐

TRUXAS ○○○☐☐☐


I wouldn't trust him from here to the door
7-18

WHAT A POLITICIAN'S LIFE OFTEN IS.

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Answer here: A ○○○ OF "○○○○○○"

(Answers tomorrow)

Yesterday's | Jumbles: LOUSY STAID HEIFER TONGUE

Answer: In Germany, it might provide the answer to the common cold—"GESUNDHEIT"

WEATHER

EUROPE	HIGH C	HIGH F	LOW C	LOW F	
Algarve	31	88	21	70	fr
Amsterdam	21	70	18	64	o
Athens	36	97	23	73	fr
Barcelona	28	82	17	63	fr
Belgrade	24	75	18	64	o
Berlin	30	86	18	64	cl
Brussels	22	72	16	61	cl
Bucharest	29	84	15	59	fr
Budapest	30	86	15	59	fr
Copenhagen	22	72	16	61	o
Costa Del Sol	28	82	18	64	fr
Dublin	17	63	11	52	o
Edinburgh	19	66	12	54	cl
Florence	29	84	18	64	fr
Frankfurt	29	84	16	61	cl
Geneva	28	82	12	54	fr
Helsinki	22	72	12	54	cl
Istanbul	30	86	20	68	fr
Las Palmas	27	81	18	64	fr
Lisbon	33	91	20	68	fr
London	21	70	15	59	cl
Madrid	34	93	15	59	fr
Milan	29	84	18	64	fr
Moscow	21	70	13	55	cl
Munich	27	81	10	50	fr
Nice	28	82	21	70	fr
Oslo	21	70	21	70	o
Paris	27	81	19	66	cl
Prague	28	82	12	54	fr
Reykjavik	11	52	9	48	o
Rome	27	81	17	63	fr
Stockholm	25	77	12	54	cl
Strasbourg	30	86	13	55	fr
Venice	29	84	17	63	fr
Vienna	30	86	14	57	fr
Warsaw	24	75	13	55	o
Zurich	29	84	11	52	fr

MIDDLE EAST	HIGH C	HIGH F	LOW C	LOW F	
Ankara	29	84	13	55	fr
Beirut	—	—	—	—	na
Damascus	38	100	17	63	fr
Jerusalem	32	90	21	70	fr
Tel Aviv	33	91	20	68	fr

OCEANIA	HIGH C	HIGH F	LOW C	LOW F	
Auckland	13	55	7	45	fr
Sydney	21	70	13	55	fr

ASIA	HIGH C	HIGH F	LOW C	LOW F	
Bangkok	32	90	26	79	r
Beijing	31	88	21	70	o
Hong Kong	31	88	26	79	cl
Manila	33	91	25	77	cl
New Delhi	32	90	27	81	o
Seoul	26	79	20	68	cl
Shanghai	31	88	26	79	r
Singapore	32	90	26	79	o
Taipei	36	97	27	81	cl
Tokyo	25	77	21	70	r

AFRICA	HIGH C	HIGH F	LOW C	LOW F	
Algiers	29	84	16	61	fr
Cairo	34	93	23	73	fr
Cape Town	17	63	11	52	cl
Casablanca	22	72	16	61	cl
Harare	25	77	11	52	fr
Lagos	28	82	22	72	o
Nairobi	22	72	9	48	cl
Tunis	31	88	20	68	fr

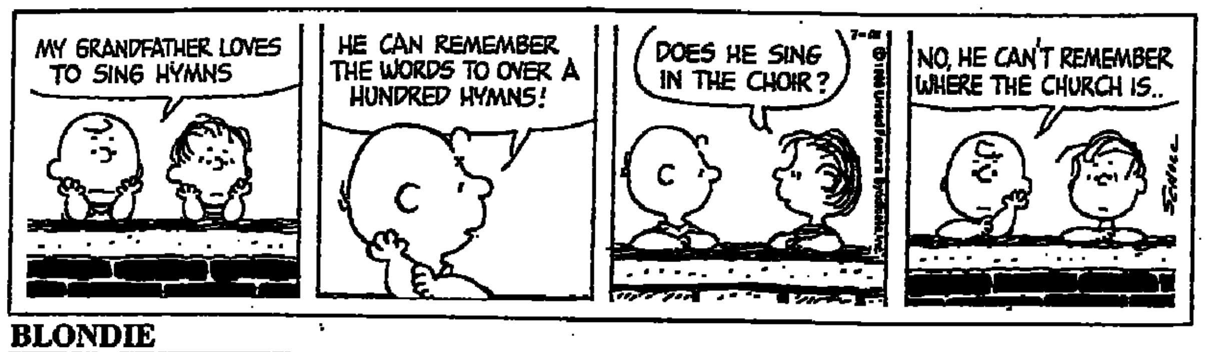
LATIN AMERICA	HIGH C	HIGH F	LOW C	LOW F	
Buenos Aires	13	55	4	39	o
Caracas	27	81	20	68	r
Lima	20	68	15	59	o
Mexico City	22	72	—	—	pc
Rio de Janeiro	28	82	18	64	fr

NORTH AMERICA	HIGH C	HIGH F	LOW C	LOW F	
Anchorage	19	66	9	48	pc
Atlanta	35	95	22	72	fr
Boston	26	79	18	64	pc
Chicago	35	95	23	73	fr
Denver	30	86	16	61	pc
Detroit	33	91	20	68	pc
Honolulu	31	88	24	75	pc
Houston	34	93	22	72	fr
Los Angeles	25	77	18	64	pc
Miami	33	91	25	77	pc
Minneapolis	34	93	25	77	pc
Montreal	26	79	14	57	fr
Nassau	32	90	25	77	pc
New York	30	86	19	66	pc
San Francisco	19	66	13	55	fr
Seattle	18	64	10	50	r
Toronto	25	77	16	61	cl
Washington	32	90	21	70	pc

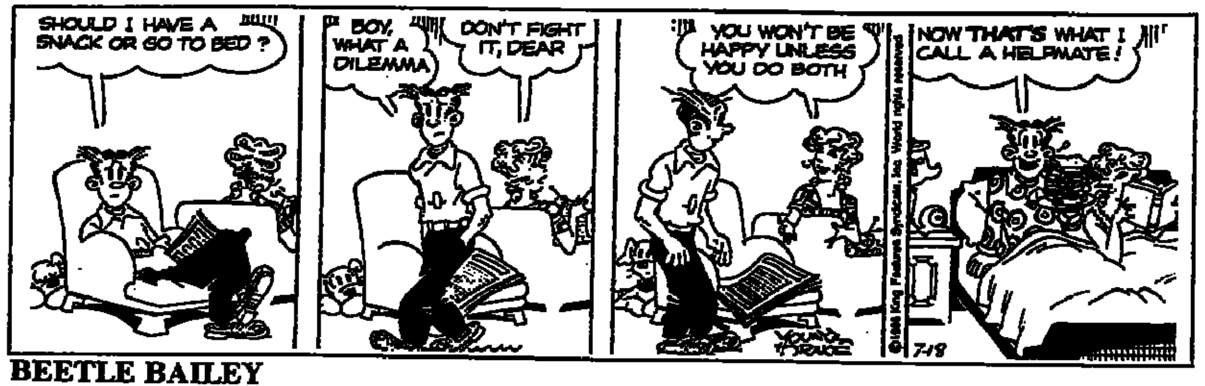
cl-cloudy; fo-foggy; fr-fair; h-hail; o-overcast; pc-partly cloudy; r-rain; sh-showers; sw-snow; st-stormy.

FRIDAY'S FORECAST — CHANNEL: Slightly choppy. FRANKFURT: Cloudy. Temp. 27—13 (81—55). LONDON: Partly cloudy. Temp. 20—12 (68—54). MADRID: Cloudy. Temp. 32—14 (90—57). NEW YORK: Partly cloudy. Temp. 33—22 (91—72). PARIS: Partly cloudy. Temp. 24—13 (75—55). ROME: Fair. Temp. 28—16 (82—61). TEL AVIV: Na. ZURICH: Cloudy. Temp. 26—10 (79—50). BANGKOK: Thunderstorms. Temp. 33—26 (91—79). HONG KONG: Fair. Temp. 31—27 (88—81). MANILA: Thunderstorms. Temp. 32—24 (90—75). SEOUL: Na. SINGAPORE: Fair. Temp. 32—27 (90—81). TOKYO: Showers. Temp. 23—21 (73—70).

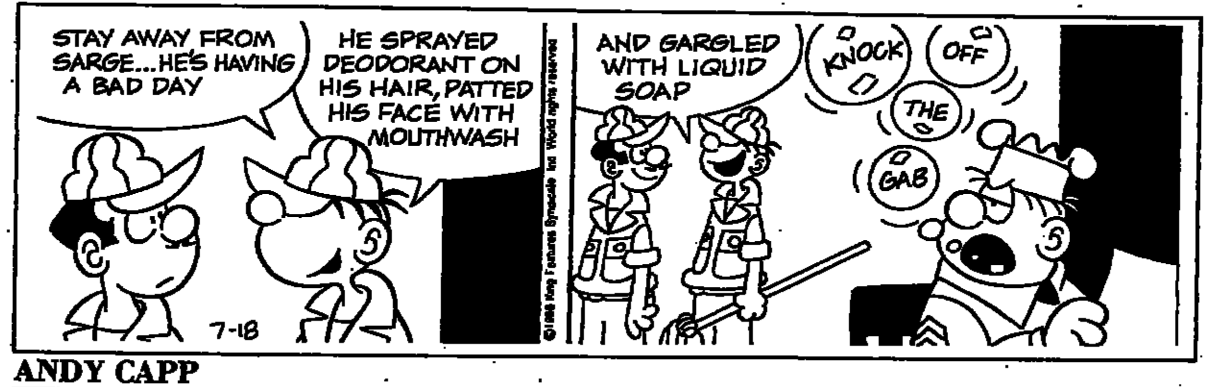
PEANUTS


MY GRANDFATHER LOVES TO SING HYMNS
HE CAN REMEMBER THE WORDS TO OVER A HUNDRED HYMNS!
DOES HE SING IN THE CHOIR?
NO, HE CAN'T REMEMBER WHERE THE CHURCH IS..
SCHULZ

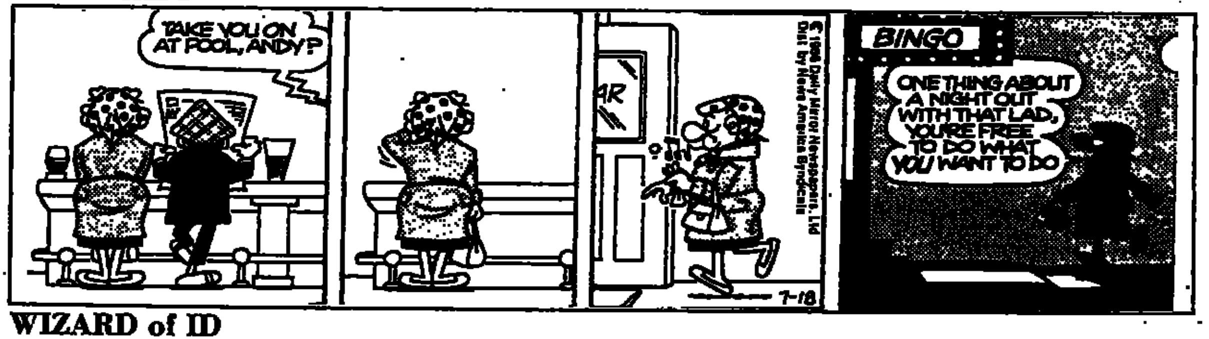
BLONDIE


SHOULD I HAVE A SNACK OR GO TO BED?
BOY, WHAT A DILEMMA
DON'T FIGHT IT, DEAR
YOU WON'T BE HAPPY UNLESS YOU DO BOTH
NOW THAT'S WHAT I CALL A HELPMATE!
7-18

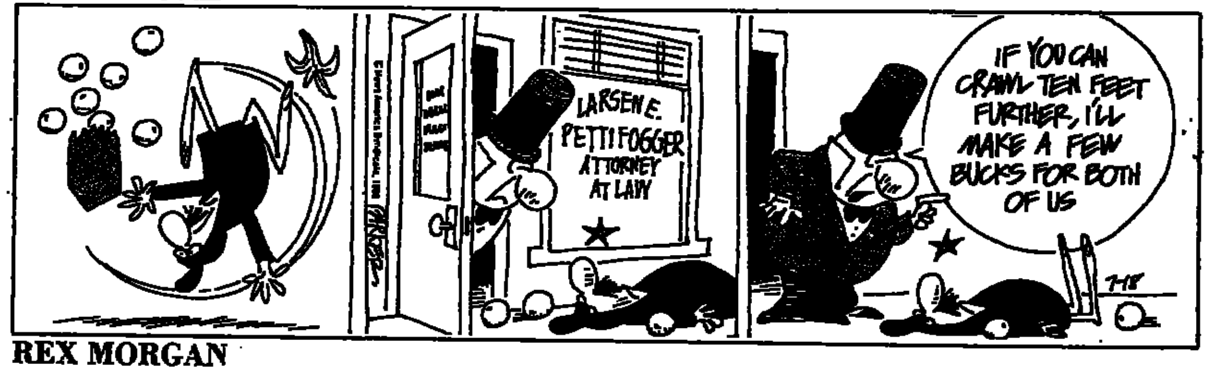
BEETLE BAILEY


STAY AWAY FROM SARGE...HE'S HAVING A BAD DAY
HE SPRAYED DEODORANT ON HIS HAIR, PATTED HIS FACE WITH MOUTHWASH
AND GARGLED WITH LIQUID SOAP
KNOCK
OFF
THE
GAB
7-18

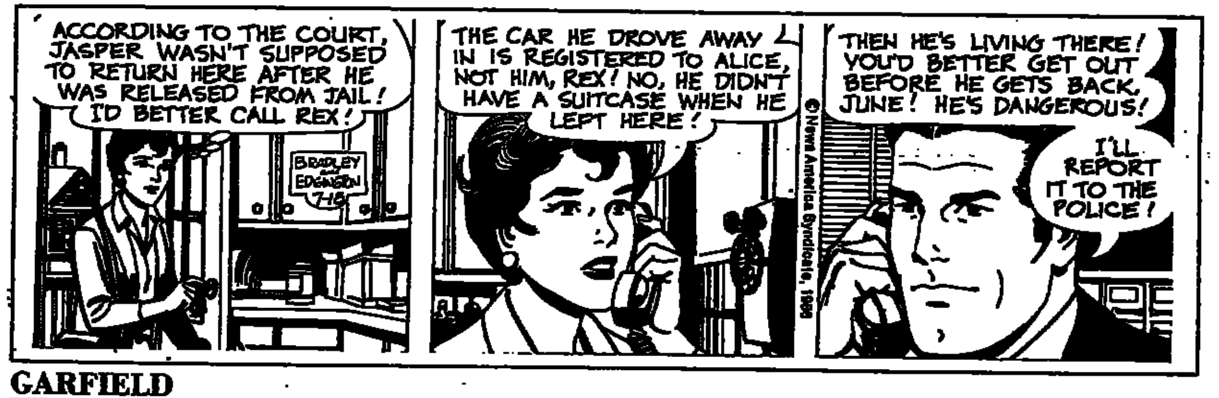
ANDY CAPP


TAKE YOU ON AT POOL, ANDY?
AR
BINGO
ONE THING ABOUT A NIGHT OUT WITH THAT LAD, YOU'RE FREE TO DO WHAT YOU WANT TO DO
7-18

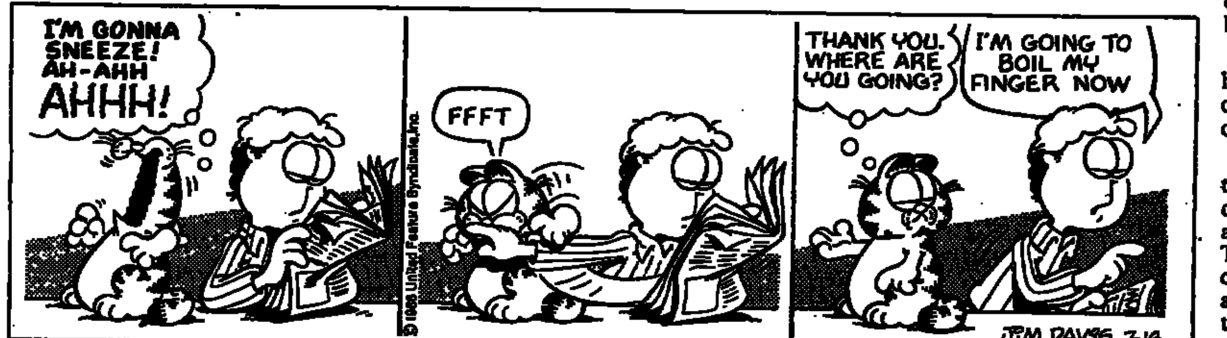
WIZARD of ID


LARSEN E. PETTIFOGGER ATTORNEY AT LAW
IF YOU CAN CRAWL TEN FEET FURTHER, I'LL MAKE A FEW BUCKS FOR BOTH OF US
7-18

REX MORGAN


ACCORDING TO THE COURT, JASPER WASN'T SUPPOSED TO RETURN HERE AFTER HE WAS RELEASED FROM JAIL! I'D BETTER CALL REX!
BRADLEY EDGINGTON 7-18
THE CAR HE DROVE AWAY IN IS REGISTERED TO ALICE, NOT HIM, REX! NO, HE DIDN'T HAVE A SUITCASE WHEN HE LEFT HERE!
THEN HE'S LIVING THERE! YOU'D BETTER GET OUT BEFORE HE GETS BACK, JUNE! HE'S DANGEROUS!
I'LL REPORT IT TO THE POLICE!

GARFIELD


I'M GONNA SNEEZE! AH-AHH AHHH!
FFFT
THANK YOU. WHERE ARE YOU GOING?
I'M GOING TO BOIL MY FINGER NOW
JIM DAVIS 7-18

BOOKS

HOME: A Short History of an Idea

By Witold Rybczynski. 256 pages. $16.95. Viking, 40 West 23d Street, New York, N. Y. 10010.

Reviewed by Jonathan Yardley

THE idea of "home" — "the house, but also everything that was in it and around it, as well as the people, and the sense of satisfaction and contentment that all these conveyed" — may seem as old as the hills, but as Witold Rybczynski demonstrates in this exceptionally interesting and provocative book, it is a relatively modern notion that did not really begin to take shape until after the Middle Ages. It is also an idea, in Rybczynski's idiosyncratic but highly persuasive view, that has been altered and endangered by contemporary architecture and interior design, which have abandoned traditional ways of creating comfort in order to place principal emphasis on artistic appeal.

Comfort: the word occurs over and again in this study, for if the book is a history of "home" in the Western world it is also a meditation on the meaning of comfort, which Rybczynski heard mentioned only once in his six years of architectural study yet which he correctly regards as the key to our feelings about the buildings in which we live. It proved a more complicated and elusive inquiry than he had at first imagined, but eventually Rybczynski concluded that "domestic comfort involves a range of attributes — convenience, efficiency, leisure, ease, pleasure, domesticity, intimacy and privacy — all of which contribute to the experience." In the course of his brief yet highly informative analysis Rybczynski shows how all of these attributes evolved over centuries, combining to create a sense of "home" that we take entirely for granted yet that would have been unimaginable 500 years ago.

To begin with, in the Middle Ages the vast majority of people did not live in houses, they lived in hovels. Even the bourgeois, upon whom Rybczynski concentrates, lived in a way that most of us would find deeply offensive: "The medieval home was a public, not a private place. The hall was in constant use, for cooking, for eating, for entertaining guests, for transacting business, as well as nightly for sleeping." It was a place in which no one could be comfortable, as we now understand that word, not merely because the benches and beds were hard but because "comfort" was simply not an objective of medieval society.

In order for the modern home to take sha certain crucial developments had to take pl Work and residence had to take place in se rate buildings, specific functions — sleepi eating, cooking, congregating — had to as for specific rooms, and society had to plac high value on two concepts virtually unkno in the Middle Ages, intimacy and privacy. of these occurred most dramatically, R czynski argues, in the Netherlands in the 1 century, when an advanced bourgeois soc that cherished individual independence be to replace the communal "big house" wit more sedate — and more private — home li

Yet it was the French, a century later, t took the next step forward with the proc tion, during the Rococo period, of furni that, however overdone by 20th-century st dards, was, "above all, extremely comf able." At last, it was possible in the Wes world — for the aristocracy and the mi class, that is — to sit in chairs that w designed for comfort rather than show, an inhabit buildings whose designers had be to think, however uncertainly, in terms of man and familial needs. Then, later in the s century, the English developed the Georg style, in which family life occupied center while domesticity and comfort became, for first time, ends in themselves.

Comfort became a genuinely attainable al in the late 19th and early 20th centu when machinery and power made the ho hold efficient and manageable for the ordin family that could not afford servants. coming of electricity not merely vastly proved lighting and heating, it also "allo household tasks to be performed in m greater comfort," and thus brought incalc ble relief to housewives. The importance electricity cannot be overemphasized; it uni the Georgian ideal of comfort with the chanical means to achieve it, reaching a de of efficiency and ease thitherto unimagin

But in the wake of electricity came, in 1920s, the modern age, with its architec and interior design emphasizing art — suc it is — and ignoring comfort: "Philip John a protégé of Ludwig Mies van der Rohe, t his students at Harvard. 'I think that comfo a function of whether you think a chair is go looking or not.' With characteristic wit, went on to suggest that people who liked appearance of the Barcelona chairs in his ho would enjoy sitting in them, even though his own admission, these are 'not very comf able chairs.' " However wittily stated, it is attitude that expresses nothing except c tempt for human comfort, and explains wh much of modern architecture and design loathed by the people who have little ch but to inhabit it. Small wonder that, as R czynski points out, a large market has b found for artificially nostalgic furnishings.

It may seem antediluvian to say so, but deep human longings that "home" embo are far more satisfactorily treated in envi ments now considered "old-fashioned" tha the high-tech surroundings so beloved of day's designers. A Barcelona chair may b thing of beauty, but anyone in his right m would rather sit in an overstuffed armchair home what we want is comfort, and the desi er who refuses to provide it is of no servic anyone except himself. As Rybczynski am demonstrates, when it comes to making house into a home, they did it better yesterd

Jonathan Yardley is on the staff of The Wi ington Post.

Solution to Previous Puzzle

R	E	T	R	A	C	T	O	R	S		S	I	C	A
A	B	H	O	R	R	E	N	C	E		E	D	A	M
C	R	U	S	T	A	C	E	A	N		C	E	R	E
E	O	N	S		W	H	O		D	E	T	A	I	N
		D	I	B		N	U	B		D	A	T	E	D
C	H	E		E	L	I	T	E		I	R	E	S	
H	E	R	E	T	I	C		L	O	T	I			
I	N	S	U	R	E				M	I	A	M	I	S
			R	A	N	T		N	E	O	N	A	T	E
	P	L	O	Y		A	C	O	R	N		N	O	W
S	H	A	P	E		B	A	T		S	O	D		
C	A	M	E	R	A		R	E	T		T	O	E	S
A	S	I	A		C	A	M	P	A	N	E	L	L	A
P	E	N	N		T	R	E	A	S	U	R	I	E	S
E	R	A	S		S	A	N	D	S	T	O	N	E	S

7/18/86

BRIDGE

By Alan Truscott

SOUTH brought home an apparently hopeless game on the diagramed deal, with a little help from the defense.

The contract was four hearts, reached because North contributed an aggressive raise of his partner's overcall.

Even if South can collect the trump queen safely, he seems doomed to lose two diamonds and a trick in each black suit. There was one slight legitimate chance: if East held the club ace singleton or doubleton, two tricks could be scored in that suit.

When the spade queen was led to the ace and the suit was continued, South accordingly won with the king, led to the heart king and tried the club three. The play was due to fail, but East fell form grace by snatching the club ace. He may have hoped that by playing the spade jack he would promote a trump trick for the defense.

As it was, South was in control. He ruffed low, and West's failure to overruff marked East with the trump queen.

The club king was cashed and dummy was entered with a diamond lead to the ace. A diamond loser was discarded on the club queen and S gathered in the trump que make his game.

NORTH
♠ 10 7 4
♥ K 4
♦ A 10 9 8 5
♣ Q 6 3

WEST (D)
♠ Q 9
♥ 6 5 3
♦ K J 7 2
♣ J 10 9 5

EAST
♠ A J 8 6
♥ Q 2
♦ Q
♣ A 8 7 4

SOUTH
♠ K 3
♥ A J 10 9 8 7
♦ 6 4 3
♣ K 2

Neither side was vulnerable. The bidding:

West	North	East	S
Pass	Pass	1 ♠	2 ♥
Pass	3 ♥	Pass	4 ♥
Pass	Pass	Pass	

West led the spade queen.

World Stock Markets

July 17

Closing prices in local currencies unless otherwise indicated.

Amsterdam

	Close	Prev.
ABN	604	604
ACF Holding	N.A.	N.A.
Aegon	102.50	103.40
Akzo	161.10	161.80
AHold	90.20	90.80
AMEV	78.10	78.30
A'Dam Rubber	N.A.	N.A.
Amro Bank	109	109
BVG	N.A.	N.A.
Buehrmann T	215	213
Caland Hldg	N.A.	N.A.
Elsevier-NDU	207.50	210.20
Fokker	90.60	91
Gist Brocades	54.60	55.30
Heineken	171	171.80
Hoogovens	109.20	109.10
KLM	46.30	45.50
Naarden	N.A.	N.A.
Nat. Neder	84.20	84.40
Nedlloyd	163.80	164
NMB	215	213.50
Oce Vander G	507	508
Pakhoed	53.70	52.70
Philips	51.40	51
Robeco	90.70	91
Rodamco	132.60	132.40
Rolinco	83	83.10
Rorento	50.20	50.20
Royal Dutch	191	188.70
Unilever	494	494
Van Ommeren	N.A.	N.A.
VMF-Stork	N.A.	N.A.
VNU	334	334

ANP.CBS Gen'l Index: 289.40
Previous: 288.50

Source: Reuters.

Brussels

	Close	Prev.
Arbed	2730	2745
Bekaert	N.A.	N.A.
Cockerill	135	135
Cobepa	N.A.	N.A.
EBES	4540	4485
GB-Inno-BM	7350	7340
GBL	3150	3140
Gevaert	5740	5760
Hoboken	7190	7200
Intercom	N.A.	N.A.
Kredietbank	N.A.	N.A.
Petrofina	8720	8740
Soc. Generale	5850	5850
Sofina	9830	9600
Solvay	7540	7580
Traction Elec	N.A.	N.A.
UCB	N.A.	N.A.
Unerg	N.A.	N.A.
V Montagne	5740	5750

Current Stock Index: 3664.42
Previous: 3658.84

Source: Reuters.

Frankfurt

	Close	Prev.
AEG	289.50	287
Allianz Vers	2085	2040
Altana	N.A.	N.A.
BASF	247	243.50
Bayer	269.50	267
Bay Hypo Bk	N.A.	N.A.
Bay Vereinsbk	498	488
BBC	N.A.	N.A.
BHF-Bank	N.A.	N.A.
BMW	562	558
Commerzbank	287.80	280.80
Cont Gummi	269.50	266
Daimler-Benz	1310	1269
Degussa	N.A.	N.A.
Deut. Babcock	N.A.	N.A.
Deutsche Bank	753	738
Dresdner Bank	390.50	381
Harpener	N.A.	N.A.
Hochtief	N.A.	N.A.
Hoechst	247.80	246.90
Hoesch	155.50	151.50
Horten	177.50	178
Hussel	N.A.	N.A.
IWKA	N.A.	N.A.
Kali + Salz	N.A.	N.A.
Karstadt	352	360
Kaufhof	445	444
Kloeckner H-D	211	209
Kloecknerwk	N.A.	N.A.
Krupp Stahl	N.A.	N.A.
Linde	655	651
Lufthansa	166	165
MAN	215	215
Mannesmann	181	177
Muench Rueck	N.A.	N.A.
Nixdorf	N.A.	N.A.
PKI	815	813
Porsche	N.A.	N.A.
Preussag	175	169
PWA	N.A.	N.A.
RWE	198	195
Rheinmetall	N.A.	N.A.
Schering	530	526
SEL	N.A.	N.A.
Siemens	598.50	593.90
Thyssen	153	146.50
Veba	240	235.50
Volkswagenwk	460	448
Wella	N.A.	N.A.

Commerzbank Index: N.A.
Previous: 1,789.70

Source: Reuters.

Hong Kong

	Close	Prev.
Bk East Asia	17.70	17.90
Cathay Pacific	5.35	5.40
Cheung Kong	20.50	20.40
China Light	15.20	15.40
Green Island	N.A.	N.A.
Hang Seng Bk	33.75	34.25
Henderson	2.30	2.30
China Gas	16.40	16.50
HK Electric	8.85	8.85
HK Realty A	11.20	11.20
HK Hotels	34.25	34.50
HK Land	5.85	6
HK Shang Bk	6.70	6.65
HK Telephone	11.80	11.90
HK Yaumatei	N.A.	N.A.
HK Wharf	7.20	7.15
Hutch Whamp	28.50	28.60
Hysan	N.A.	N.A.
Jardine	13.70	13.70
Jardine Sec	13.60	13.50
Kowloon Motor	8.45	8.30
Miramar Hotel	N.A.	N.A.
New World	6	6
SHK Props	12.30	12.20
Stelux	1.65	1.65
Swire Pacific A	11.90	11.80
Tai Cheung	1.92	1.93
Wing On Co	1.66	1.62
Winsor	8.15	8.10
World Int'l	2.60	2.60

Hang Seng Index: 1739.71
Previous: 1763.36

Source: Reuters.

Johannesburg

	Close	Prev
AECI	N.A.	N.A.
Anglo Amer.	5100	5000
Anglo Am Gold	N.A.	N.A.
Barlows	N.A.	N.A.
Blyvoor	1815	N.A.
Buffels	7550	7475
De Beers	3140	3130
Driefontein	5600	5500
Freegold	3375	3350
GFSA	4400	4300
Harmony	3650	3600
Hiveld Steel	N.A.	N.A.
Kloof	2375	2350
Nedbank	N.A.	N.A.
Rusplat	4175	4110
SA Brews	N.A.	N.A.
St Helena	4400	4375
Sasol	N.A.	N.A.
Welkom	2200	2175

Composite Stock Index: 1573.10
Previous: 1557.70

Source: Reuters.

London

	Close	Prev.
AA Corp	$10	$10⅛
Allied-Lyons	328	326
AngloAm Gold	$51⅛	51¾
Ass Brit Foods	N.A.	N.A.
Asda-MFI Gp	146	144
Barclays	524	524
Bass	N.A.	N.A.
B.A.T.	400	395
Beecham	425	418
BL	N.A.	N.A.
Blue Circle	615	615
BOC Group	316	314
Boots	242	235
Bowater Indus	318	313
BP	581	571
Brit Telecom	198	198
Brit Aerospace	N.A.	N.A.
Britoil	N.A.	N.A.
BTR	310	310
Burmah	405	403
Cable Wireless	688	688
Cadbury Schw	172	172
Charter Cons	250	248
Commercial U	318	313
Cons Gold	432	432
Cookson Group	N.A.	N.A.
Courtaulds	288	288
Dalgety	N.A.	N.A.
De Beers c	627	628
Driefontein	$11⅛	$11⅛
Fisons	615	613
Free St Ged	$45⅞	$45⅞
GEC	196	196
Gen Accident	859	852
GKN	353	348
Glaxo	993	972
Grand Met	390	380
GRE	917	909
Guinness	N.A.	N.A.
GUS	10¾	10¾
Hanson	N.A.	N.A.
Hawker	535	532
ICI	994	984
Imperial Gp	N.A.	N.A.
Jaguar	540	538
Land Sec	336	334
Legal General	263	263
Lloyds Bank	424	424
Lonrho	N.A.	N.A.
Lucas	580	578
Marks & Sp	202	199
Metal Box	720	720
Midland Bank	559	547
Nat West Bank	522	517
P and O	498	491
Pilkington	N.A.	N.A.
Plessey	216	218
Prudential	862	859
Racal Elect	N.A.	N.A.
Randfontein	$N.A.	$N.A.
Rank	509	507
Reed Intl	10¾	10¾
Reuters	485	488
Royal Dutch c	52⅝	51¾
RTZ	567	571
Saatchi	N.A.	N.A.
Sainsbury	N.A.	N.A.
Sears Holdings	N.A.	N.A.
Shell	788	781
STC	160	158
Std Chartered	744	732
Storehouse	N.A.	N.A.
Sun Alliance	N.A.	N.A.
Tate & Lyle	580	583
Tesco	N.A.	N.A.
Thorn EMI	442	451
T.I. Group	523	523
Trafalgar Hse	N.A.	N.A.
THF	157	156
Ultramar	166	166
Unilever c	17½	17½
United Biscuits	N.A.	N.A.
Vickers	433	430
War Loan 3½ c	38¼	38¼
Woolworth	635	635

F.T. 30 Index: 1316.80
Previous: 1306.30
F.T.S.E. 100 Index: 1609.20
Previous: 1597.30

Source: Reuters.

Milan

	Close	Prev.
Banca Comm	N.A.	N.A.
Cigahotels	N.A.	N.A.
Cred Ital	N.A.	N.A.
Eridania	N.A.	N.A.
Farmitalia	N.A.	N.A
Fiat	12730	12300
Generali	N.A.	N.A.
IFI	22870	22900
Italcementi	71700	71500
Italgas	3150	3100
Italmobiliari	N.A.	N.A.
Mediobanca	220600	214950
Montedison	3215	3158
NBA	N.A.	N.A.
Olivetti	15700	15200
Pirelli	4960	4890
RAS	N.A.	N.A.
Rinascente	996	981
SIP	N.A.	N.A.
SME	N.A.	N.A.
Snia	4950	4896
Standa	N.A.	N.A.
Stet	5085	4975

M.I.B. Current Index: N.A.
Previous: N.A.

Source: Reuters.

Paris

	Close	Prev.
Air Liquide	741	751
Alsthom Atl.	N.A.	N.A.
Av. Dassault	N.A.	N.A.
Bancaire	1220	1195
BIC	586	N.A.
Bongrain	N.A.	N.A.
Bouygues	N.A.	N.A.
BSN-GD	3850	3845
Carrefour	3270	3268
Chargeurs	1210	1230
Club Med.	N.A.	N.A.
Darty	N.A.	N.A.
Dumez	N.A.	N.A.
Elf-Aquitaine	278.50	282
Europe 1	N.A.	N.A.
Gen Eaux	N.A.	N.A.
Hachette	2645	2650
Lafarge Cop	1296	1302
Legrand	N.A.	N.A.
Lesieur	N.A.	N.A.
L'Oreal	3640	3645
Martell	N.A.	N.A.
Matra	N.A.	N.A.
Merlin	N.A.	N.A.
Michelin	3110	3075
Moet Hennessy	2201	2220
Moulinex	66.10	69.30
Occidentale	982	972
Pernod Ric	950	958
Perrier	786	782
Peugeot	953	942
Printemps	542	557
Radiotechn	919	915
Redoute	1720	1705
Roussel Uclaf	1450	1490
Sanofi	N.A.	N.A.
SkisRossignol	N.A.	N.A.
Telemecan	3330	3250
Thomson CSF	1410	1390
Total	N.A.	N.A.

CAC Index: N.A.
Previous: N.A.

Source: Reuters.

Sydney

	Close	Prev.
ACI	3.36	N.A.
ANZ	4.64	N.A.
BHP	8.20	N.A.
Boral	4.12	N.A.
Bougainville	2.50	N.A.
Coles	5.06	N.A.
Comalco	2.16	N.A.
CRA	5.72	N.A.
CSR	2.92	N.A.
Dunlop	3.10	N.A.
Elders IXL	4.88	N.A.
ICI Australia	2.40	N.A.
Magellan	1.10	N.A.
MIM	1.78	N.A.
Nat Aust Bank	5.10	N.A.
News Corp	19.80	N.A.
N Broken Hill	1.78	N.A.
Poseidon	2.70	N.A.
Qld Coal Trust	1.65	N.A.
Santos	3.43	N.A.
Thomas Nation	3.15	N.A.
West Mining	3.10	N.A.
Westpac Bking	4.58	N.A.
Woodside	0.82	N.A.

All ordinaries Index: 1126.90
Previous: 1127.80

Source: Reuters.

Tokyo

	Close	Prev.
Akai	440	438
Asahi Chem.	822	840
Asahi Glass	1250	1260
Bank of Tokyo	785	780
Bridgestone	697	696
Canon	957	975
Casio	1320	1370
C. Itoh	605	608
Dai Nip. Print	1910	1960
Daiwa House	N.A.	N.A.
Daiwa Sec	1690	1650
Fanuc	6230	6440
Fuji Bank	N.A.	N.A.
Fuji Photo	2690	2760
Fujitsu	881	895
Hitachi	790	803
Hitachi Cable	N.A.	N.A.
Honda	1030	1050
JAL	10500	10180
Kajima	890	877
Kansai Power	3110	2978
Kaw Steel	202	200
Kirin Brewery	1530	1460
Komatsu	484	487
Kubota	394	400
Kyocera	3660	3830
Matsu El.Inds	1260	1300
Matsu El.Wks	1410	1400
Mitsubishi Bk	1480	1480
Mitsubi Chem.	824	807
Mitsubi Elec	355	354
Mitsubi Heavy	419	422
Mitsubishi	837	840
Mitsui & Co	500	495
Mitsukoshi	1270	1230
Mitsumi	1030	1050
NEC	1300	1330
NGK Insltrs	N.A.	N.A.
Nikko Sec	1330	1320
Nipp Kogaku	N.A.	N.A.
Nippon Oil	1300	1280
Nippon Steel	192	193
Nippon Yusen	437	448
Nissan	567	589
Nomura Sec	2380	2330
Olympus	1020	1050
Pioneer	1830	1930
Ricoh	810	810
Sharp	890	900
Shimazu	N.A.	N.A.
Shinetsu Chem	N.A.	N.A.
Sony	2960	3050
Sumitomo Bk	1800	1810
Sumit Chem	404	406
Sumit Marine	990	1010
Sumit Metal	168	167
Taisei Corp	553	552
Taisho Marine	890	880
Takeda Chem	1710	1720
TDK	3350	3450
Teijin	510	516
Tokio Marine	1390	1400
Tokyo El Pwr	4580	4390
Toppan Print	1530	1520
Toray Ind	611	628
Toshiba	432	445
Toyota	1330	1340
Yamaichi Sec	1380	1250

Nikkei/DJ Index: 17725.63
Previous: 17788.90
New Index: 1384.18
Previous: 1376.38

Source: Reuters.

Zurich

	Close	Prev.
Adia	6550	6650
Alusuisse	650	640
Autophon	7240	7250
Bank Leu	3400	3300
Brown Boveri	1725	1660
Ciba Geigy	3200	3200
Credit Suisse	3660	3460
Elektrowatt	3390	3325
Interdiscount	4700	4650
Jacob Suchard	8075	8050
Jelmoli	3330	3350
Landis Gyr	N.A.	2000
Moevenpick	6500	6500
Nestle	8050	8000
Oerlikon B	1730	N.A.
Roche Baby	9950	9825
Sandoz	1575	1560
Schindler	3400	3400
Sulzer	560	540
Surveillance	N.A.	N.A.
Swissair	1350	1370
SBC	511	514
Swiss Reinsur	N.A.	N.A.
Swiss Volksbk	N.A.	N.A.
Union Bank	N.A.	N.A.
Winterthur	6200	6050
Zurich Ins.	3050	3075

SBC Index: N.A.
Previous: N.A.

Source: Reuters.

N.Q.: not quoted; N.A.: not available; xd: ex-dividend.

Toronto

July 16

Canadian stocks via AP

Sales	Stock	High	Low	Close	Chg.
1410	Abti Prce	$23	23	23	
583	Acklands	$19½	19½	19½	
3475	Agnico E	$22¼	22	22¼	+ ¼
200	Agra Ind A	$15⅝	15⅝	15⅝	+ ⅛
38650	Alt Energy	$10⅛	9⅞	10⅛	+ ¼
740	Alta Nat	$12⅜	12¼	12¼	
6338	Algoma St	$14½	14¼	14¼	— ⅛
16176	A Barick	$14	13⅞	13⅞	— ⅛
12872	Atco I f	$9	8⅞	8⅞	— ⅛
79296	BCED	375	360	375	+10
16	BCED A	$6½	6½	6½	+ ¼
33060	BP Canada	$27	27	27	
14447	Bank BC	305	300	305	+ 5
141821	Bank N S	$16⅛	15⅞	16	— ⅛
33500	Baton	$24½	24	24	— ½
16435	Bonanza R	135	131	135	+ 3
350	Bralorne	125	125	125	— 5
2950	Bramalea	$22½	22	22	— ½
200	Brenda M	$8¼	8¼	8¼	
41687	BCFP	$13¾	13⅝	13⅝	
18740	BC Res	120	115	116	+ 1
8685	BC Phone	$27⅛	26⅞	27	
3100	Brunswk	$12½	12½	12½	+ ⅛
625	Budd Can	$35	35	35	+ ¾
174739	CAE	$12	11¾	11¾	
1800	CCL B f	$19	18⅞	18⅞	
7250	Cad Frv	$24¼	23½	23¾	— ½
1600	Campeau f	$26¼	26	26¼	— ¼
59267	C Nor West	$13⅛	13⅛	13⅛	+ ⅛
78371	C Packrs	$17	16½	17	+ ½
201	C Tung	$8½	8½	8½	
100	CGE	$102½	102½	102½	—2½
295584	CI Bk Com	$17⅞	17⅛	17⅛	
71319	CTire A f	$15	14⅞	14⅞	
1239	C Util B	$19⅛	19	19⅛	+ ⅛
4907	Cara	$9⅞	9⅞	9⅞	+ ⅛
100550	Celanese	$17⅛	17	17	— ⅛
250	Celan 175 p	$21½	21½	21½	— ¼
1977	Centrl Tr	$17½	17	17	— 1
113921	Cineplex	$19⅞	18½	19⅛	+ ⅛
2800	C Distb A	$7	6⅞	7	
140300	CDistb B f	$7	6¾	7	+ ⅛
5300	CTL Bank	$10¼	10⅛	10⅛	
1300	Coseka R	77	76	76	— 7
800	Conron A	$18⅛	18⅛	18⅛	+ ⅛
4550	Crownx	$30	29½	30	+ ¼
7200	Czar Res	130	126	130	+ 4
12940	Denison A p	$6⅛	6¼	6⅛	+ ⅛
310020	Denison B f	$6⅛	6	6⅛	+ ¼
2200	Develcon	330	330	330	— 5
500	Dicknsn A f	$7½	7¼	7¼	+ ⅛
153912	Dofasco	$28⅛	27¾	27¾	
200	Donohue	$26⅞	26⅞	26⅞	
900	Du Pont A	$36⅞	36½	36⅞	+ ⅛
106576	Dylex A	$18½	17⅞	18	
11200	Elchtom X	$12	12	12	
3800	Emco	$30⅛	30⅛	30⅛	— ⅛
2200	Equity Svr	405	400	400	+10
250	FCA Intl	$17¼	17¼	17¼	+ ⅛
1700	C Falcon C	$18	18	18	
281625	Ficnbrdge	$19⅞	19¼	19½	+ ⅛
42850	Fed Ind A	$16⅞	16½	16⅞	
810	Fed Pion	$30½	30½	30½	
2400	F City Fin	$14⅛	14⅛	14⅛	+ ⅛
11600	Gendis A	$19½	19⅛	19⅛	
5800	Geac Comp	$5⅞	5½	5⅞	
5000	Gibraltar	$9⅞	9⅞	9⅞	
80920	Goldcorp f	$6⅛	6	6	— ⅛
400	GL Forest	$25⅞	25⅛	25⅛	— ⅛
500	Gt Pacific	$45	45	45	+ 1
2150	Greyhnd	$27⅛	27⅛	27⅛	
2855	Hawker	$27⅞	27⅞	27⅞	— ⅜
154075	Hayes D	$15⅛	14⅞	14⅞	— ¾
3050	Hees Intl	$34½	34⅛	34⅛	— ⅛
4322	H Bay Co	$28	28	28	—
62706	Imasco	$34¾	34⅛	34½	+ ¼
60380	Indal	$15	14⅞	15	+ ⅛
4550	Inland Gas	$12⅛	12⅛	12⅛	— ⅛
3435	I Corona o	$19⅛	19⅛	19⅛	— ⅛
137250	Intl Thom	$11⅛	11⅛	11⅛	
33142	Inter Pipe	$43⅛	43	43⅛	— ⅛
10	Ipsco	$8⅛	8⅛	8⅛	— ⅛
6325	Jannock	$25⅛	25⅛	25⅛	— ⅛
550	Kelsey H	$25¼	25¼	25¼	— ⅛
1100	Kerr Add	$15⅛	15⅛	15⅛	
56724	Labatt	$23⅛	22⅞	23	+ ⅛
700	Lacana	$8⅞	8⅞	8⅞	+ ⅛
1305	LOnt Cem	$24	24	24	
2055	Loblaw Co	$12⅛	12⅛	12⅛	
4200	Lumonics	$14⅛	14⅛	14⅛	
64474	Magna A f	$32	31⅞	31⅞	— ⅛
3300	MDS H A	$17¼	17	17¼	+ ¼
5250	MICC	$7⅛	7	7	
5700	Mclan H X	$19⅞	19½	19⅞	+ ⅛
1300	Maritime f	$15⅛	15¼	15⅛	
209558	Molson A f	$28¼	28⅛	28⅛	
400	Molson B	$28¼	28	28¼	
300	Murphy	$16¼	16⅛	16⅛	
51100	Nabisco L	$41⅞	40½	40⅞	
32839	Noranda	$18⅛	17⅞	17⅞	
359	Norcan	$13	12⅞	12⅞	
557321	Nva AltA f	470	465	465	—
1529	Nowsco W	$11¼	11¼	11¼	
6045	NuWst sp A	27	27	27	—
100	Oakwood	245	245	245	
36895	Omnibus o	$5⅝	5⅛	[illegible]	
12340	Oshawa A f	$34	[illegible]	[illegible]	
219945	Pac W Airln	$16¼	16	[illegible]	
2250	Pamour	$9⅞	9½	[illegible]	
9036	PanCan P	$24½	23⅞	[illegible]	
3000	Pembina	$13⅞	13⅞	13⅞	
305867	Placer	$24⅞	24⅞	24⅞	
6031	Que Sturg o	410	400	400	—
1500	Rayrock f	$5⅞	5⅞	5⅞	
6328	Redpath	$29	28⅞	29	
14415	ReedSt I Sp	$22½	21⅞	21⅞	
1200	Rogers A	$22⅞	22½	22⅞	
300	Roman	$9⅞	9	[illegible]	
200	Rothman	$38	38	38	
148700	Sceptre	250	250	250	
4950	Scotts f	$38⅛	38⅛	38⅛	
1900	Sears Can	$14½	14⅛	14⅛	
2630	SHL Systm	$23	22⅞	22⅞	
120	Selkirk A f	$24⅛	24⅛	24⅛	
33982	Shell Can	$20⅞	20⅛	20⅞	
27350	Sherritt	$6⅛	6⅛	6⅛	
260	Slater B f	$14⅛	14⅛	14⅛	
60350	Southam	$25⅞	24⅞	24⅞	
8846	Spar Aero f	$26⅛	26	26	
43996	Stelco A	$24½	24	24	
1700	Sulpetro	55	55	55	
12918	Teck Cor A	$22⅞	22⅞	22⅞	
17376	Teck B f	$22⅛	22	22	
3420	Tex Can	$25⅞	24⅞	25	
18390	Thom N A	$31	30	31	+ 1
104447	Tor Dm Bk	$23⅛	22⅞	22⅞	
26986	Torstar B f	$31	30⅞	30⅞	
1370	Traders A f	$46½	46	46	
3700	Trinity Res	30	30	30	
33058	TrnAlta UA	$26⅞	26	26	
85926	TrCan PL	$14⅞	14⅞	14⅞	
7020	Trimac	250	250	250	
44087	Trilon A	$32¼	31⅞	32	
175	Trizec A f	$28⅛	28⅛	28⅛	
57000	Turbo	49	48	49	
1700	Unicorp A f	$9⅞	9⅞	9⅞	
2493	U Entprise	$12⅛	11⅞	11⅞	
100	U Keno	$7⅛	7⅛	7⅛	
6100	Versil A f	210	210	210	
10100	Vestgron	45	45	45	
5525	Wardair	$17	16¾	16¾	
2145	Westmin	$7⅞	7⅞	7⅞	
2290	Weston	$33⅞	33	33	
17615	Woodwd A	$7	6⅞	7	

Total sales 16,406,562 shares

TSE 300 Index: Close 2,976.40

Montreal

Sales	Stock	High	Low	Close
48872	Bank Mont	$32¼	32	32
16206	BombrdrA	$23	21⅞	23
19659	BombrdrB	$22⅛	21½	22⅛
1200	CB Pak	$27⅛	27	27⅛
42555	Cascades	$16⅛	15⅞	16
45362	ConBath	$24½	24⅛	24⅛
2476	DomTxtA	$18⅞	18⅛	18⅞
2100	MntTrst	$11⅛	11⅛	11⅛
31971	NatBk Cda	$26⅞	26⅛	26⅛
5780	Noverco	$12⅛	12	12⅛
72771	Power Corp	$17⅞	17	17⅛
9887	Provigo	$21	20⅞	21
600	RollandA	$39½	39½	39½
77457	Royal Bank	$32⅞	32⅛	32⅛
72380	RoyTrsco	$30½	30⅛	30⅛
1150	SteinbrgA	$42⅞	42½	42½

Total Sales 3,141,270 shares.

Industrials Index: Close 1,340.38

To Our Readers

Because of a strike at Agence France-Presse, the World Stock Market prices are incomplete in this edition. We regret the inconvenience to readers.

SCIENCE
IN THE IHT EVERY THURSDAY A FULL PAGE O
RECENT DISCOVERIES IN SCIENCE
AND MEDICINE

هكذا من الأصل

SPORTS

onner's 'War' o Win Back the merica's Cup

By Bruce Stannard
International Herald Tribune

ONOLULU — On a brilliant summer day, seven es south of Honolulu, slender silver flying fish wing way up and out of a cobalt sea. Submarines and ded-missile destroyers follow the fish, outward nd in the northeast trade winds that come down ugh the Molokai channel topping the long Pacific ls with savage whitecaps.

igh above the great bulk of Diamond Head, a bering black surveillance aircraft is escorted by jet ers from Hickham Air Force Base, a reminder this is, in more ways than one, the center of U.S. er in the Pacific. For the home of the U.S. 6th is also the staging base for Dennis Conner's $20- on bid to regain the America's Cup, a crusade that coming one of the costliest and most determined paigns in U.S. maritime history.

hen Conner, the man who lost the cup, says, re not at war," he convinces no one, least of all the alians. They have been whipped by him before lthough they triumphed in 1983, their respect for an sometimes seems to border on fear — just the Conner likes it.

mer is the commanding officer of, and the inspi- a and driving force behind, what will be a no- barred assault on Australia's cup defense next ry and February. If sheer force of will was a on, Conner probably would be on his way home lifornia with the cup already.

h NASA, the aerospace industry and so many of efense Department's prime contractors heavily ed, it is hard to escape the conclusion that r has, in the name of winning a boat race, co- the almighty power of the U.S. military-indus- omplex. His 19-member fund-raising committee es two former secretaries of defense, two former of naval operations and a former chairman of nt Chiefs of Staff.

spacious aft-cabin aboard Betsy, his syndicate's ficent 68-foot (20.1-meter) tender, David Ham- sat amid electronic gadgetry that one might to see aboard planes of the Strategic Air Com- Hammond, whose computers monitor, record alyze every aspect of Conner's trials, was only a onths ago working with Polaris missiles on a ubmarine.

ner's tax-exempt organization is called The Sail a Foundation for International Understand- s 30-man design team, based in San Diego, is ng more than $3.5 million on research and pment.

scientific and technical skills of such major and missile manufacturers as Boeing, Grum- d MacDonnell Douglas have been invaluable hree principle designers, Britton Chance, Bruce and David Pedrick, who are being coordinated mathematician and cup veteran John Marshall. g the circuits of mega-smart Cray X-MP/48 ers under the guidance of Scientific Applica- nternational Corp., the designers have been ng for the technological breakthrough that, pe, will give them the devastating advantages xcen's winged keel gave the 1983 cup winner, ia II.

rding to Marshall, who that summer shared the with Conner, the reason they lost the cup was defending yacht, Liberty, was a "creative ' According to Marshall, they did not reach far did not take big enough risks and did not have cture to permit or encourage taking them.

Australians won, he said, because they had a eative design, a more radical design — a risk- lesign, but a successful one.

rding to Conner's test manager, Robert Hop- e former coach whose U.S. yachting team won lver medals and four golds at the 1984 Olym- onner believes that Sail America can emulate tralia II example in having a direct impact on image of a whole country.

nis and the people he has around him here at a level of competitive excellence that the can see and model itself after," Hopkins said. re all very impressed with the way the Austra- ple reacted to the cup win. It galvanized the country. It showed ordinary people how a f dedicated professionals, properly organized h excellent technology, can go out and conquer ld.

nis has this grand vision that we could make e thing happen in the States."

ugh, by all accounts, his design team has yet to p with anything even remotely resembling an a II-style breakthrough, Conner is convinced r of his new boats would "murder" Australia II they ever race in the boisterous winds and seas nantle in Western Australia.

are unlikely to have the chance. Australia II has been superseded by the current world on, Australia III; Lexcen's latest, Australia IV, launched on Aug. 1.

ugh Conner must first defeat 13 tough inter- l rivals, he almost certainly will be the 1987 cup ger. And his unprecedented campaign will, if it hecked by the Australians, likely result in his regaining yachting's holy grail. Months before the finals, the Conner campaign seems to be unstoppable.

AP

Frank Conner: The man to beat

He is campaigning two of the world's fastest 12-meter yachts in straight-line trials upwind and down, and then head-to-head, in ferocious duels over a simulated 24.5-mile (39.4-kilometer) America's Cup course. Both boats appear to be exceptionally fast in heavy conditions, and their crew work, even at this stage, is as flawless as the ultimate cup contender's must be.

Both yachts bear the name Stars and Stripes. That underscores the sense of emphatic national purpose that lies behind this attempt — one of six from the United States — to erase the painful memory of that day in September 1983 when Australia II ended 132 years of American dominance — the longest winning streak in sports history.

For Conner, 43, the man acknowledged as the world's finest, most experienced 12-meter helmsman, this is, in his words, "a chance to show the kids who's boss." Having lost the cup, he wants it back.

Apart from Liberty, Conner will have had a fleet of four from which to chose. The trials off Hawaii are determining whether he and his squad of 60 men bring two or three yachts to Fremantle at the end of August.

Because Conner's campaign is recognized as the one to beat, he has been plagued by video camera-toting spies, including Australians who have hovered close to his boats in helicopters or bounced around at sea in rubber runabouts, trying to discover his secrets of hull and sail design. Conner said he is aware that the spies have included such key Australians as Kookaburra skipper Iain Murray, Bond syndicate sail coordinator Tom Schnackenberg and tactician Hugh Treharne.

"We know when they're coming," he said, "so we put on a bit of a show for them. We wear our old sails and we goof off, dropping things in the water and wasting time. We show them nothing, so they go away thinking, 'Dennis isn't going to be any kind of threat.' Only we know how good we really are. Those guys will have to wait until they face us on the line off Fremantle, and by that time it will be too late."

Conner has been forced to employ a number of counterespionage techniques. All his boats, with the exception of Liberty, have identical sail numbers, 12 US 55. Their long, grey-blue hulls, at least above the waterlines, are so similar that even the crews sometimes find it hard to tell them apart.

Below the waterlines, in a blue that blends with the sea, are the winged keels that they have been testing in Hawaii for months. The boats, secured inside barbed wire-topped perimeter fencing at the University of Hawaii's marine research facility, are protected around the clock by armed guards. All visitors are subject to security checks.

Conner has set up an elaborate intelligence network that apparently includes Oahu's eight air charter operators and the immigration authorities at Honolulu International Airport, who tip him off when spies heave into view.

He acknowledges, but does not really care, that the resounding success of his obsessive approach has rallied vitriolic critics, including disgruntled rivals and writers who often find him cold and aloof. He has been attacked as a spoilsport and a workaholic who has turned the world's most glamorous amateur yachting event into a professional grind.

In reply, he says that he has never heard of anyone being criticized for the pursuit of excellence. His own undoubted excellence, reached long ago, continues to be held with single-minded determination. Nothing and no one is allowed to get in the way of winning.

Conner is obsessive often to the point of being rude and deliberately offensive. Even his closest friends concede that. But there is more to the man than most people see. If one can get beyond the initial barriers, the tension, the frosty indifference, the dark suspiciousness of Australians and journalists, there can be found a shy man of considerable charm, sensitivity and intelligence, acutely conscious of his humble beginnings and equally clear-sighted about the historic niche he is determined to establish for himself. Not as the skipper who lost the America's Cup, but as the helmsman who, having done so, won it back.

3 Join Boycott; IOC Appeals To New Delhi

Compiled by Our Staff From Dispatches

LONDON — Three more nations — the Bahamas, Sierra Leone and Papua New Guinea — said Thursday that they would boycott the Commonwealth Games to protest Britain's refusal to impose economic sanctions against South Africa.

They joined Ghana, Kenya, Malaysia, Nigeria, Tanzania and Uganda in pulling out of the games, scheduled to begin July 24 in Edinburgh. India has postponed the departure of its team until Sunday while it considers a boycott and some Commonwealth nations in the Caribbean reportedly are considering withdrawing.

The president of the International Olympic Committee, Juan Antonio Samaranch, has appealed to Prime Minister Rajiv Gandhi to keep India in the games, the Press Trust of India reported Thursday. Samaranch urged Gandhi to "take into consideration the interests of the athletes."

Officials in New Delhi said a decision would be based on the outcome of Friday's meeting of front-line African nations in Harare, Zimbabwe.

The Bahamas' sports minister, Livingstone Coakley, was quoted by Nassau Radio as saying, "In view of the adamant position taken by the British government to date, the government finds itself unable to give any support, assistance, encouragement, or recognition to the coming Commonwealth games."

The British Broadcasting Corp. reported that Jamaica, Trinidad and other Caribbean nations were likely to decide by Friday whether to go to the games.

(Reuters, UPI)

■ Canadian Athletes Punished

The amateur careers of six Canadian athletes who had been bound for the Commonwealth Games have been effectively ended by the country's sports minister, Otto Jelinek, because they used prohibited drugs in their training, The Associated Press reported from Ottawa.

Mr. Jelinek said that he had cut off, for life, the federal financial support for weightlifters Jacques Demers of St. Hubert, Quebec, Glenn Dodds of Peterborough, Ontario, and Mario Parente of Brossard, Quebec; discus thrower Rob Gray and shot putters Mike Spiritoso and Peter Dajia, all of Toronto.

He said he took the action after tests by the Canadian Sport Medicine Council had shown positively for the second time that they had used prohibited drugs — anabolic steroids that enhance strength and endurance and increase body bulk.

Weather Winning at British Open

By Bob Green
The Associated Press

TURNBERRY, Scotland — Only Ian Woosnam of Wales could match par with a 70 Thursday in the opening round of the 115th British Open golf championship on Turnberry's treacherous Ailsa course in biting cold and howling wind.

His feat surprised even Woosnam.

"I didn't expect to shoot 70," he said. "I thought 77 or 78 would be a good score. I was just trying to stay in contention."

Instead, he was leading the oldest of golf's championships, and a disarrayed corps of the world's finest golfers was left to mutter about what might have been.

"Pars were great, birdies fantastic, and if you managed to salvage par from the rough, that wasn't too bad either," said Nick Faldo of England, tied for second at 71 with Robert Lee and Gordon Brand, both of Britain, and Anders Forsbrand of Sweden.

Lee, Brand and Forsbrand finished in the gathering gloom of early evening after the winds off the Firth of Clyde subsided.

"On a day like this, you just try to stay in the championship, keep your hopes alive," said Faldo, who birdied his last three holes.

And that was not easy.

"I'm looking 81 in the face and that's no fun," said Jack Nicklaus, the 46-year-old Masters champion, who shot 78.

"There are a lot of the best players in the world being humiliated out there," said Greg Norman of Australia after he struggled to 74.

"If you take in the rough, the narrow fairways, the tough course, the weather, it's probably the hardest conditions I've played under," said U.S. Open champion Ray Floyd, who had an 8 in a round of 78.

"Brutal," said Deane Beman, the U.S. PGA Tour commissioner making an appearance as a competitor after 12 years as an administrator.

Beman, in the second group off the tee and playing in the worst of the weather, birdied his last three holes for 75.

"Four days like this and the winning score might be 320," said Seve Ballesteros of Spain, who began the tournament with four consecutive victories and shot 76.

The course, as much as the weather, was the problem. The rough was waist-deep in spots. The fairways were extremely narrow.

"It was not the same golf course that it was in 1977," Nicklaus said.

P. Slingley/Reuters

Raymond Floyd kept the wind off himself during the British Open's first round, but the U.S. Open champion, who needs this title to sweep the Grand Slam events, soared to a 78.

In Scotland, 'Nae Wind ... Nae Golf'

The Associated Press

TURNBERRY, Scotland — The hardy Scots have a saying about the game they are credited with inventing: "If it's nae wind an nae rain, it's nae golf."

And there is another, more localized observation by the dairy farmers along the Ayrshire course who use the Ailsa Craig — a 1,100-foot (334.6-meter) high rock rising from the waters of the Firth of Clyde — as a weather forecaster:

"If ye canna see the Ailsa, it's rainin. If ye can see it, it's aboot to rain."

And that was the weather forecast for the 115th British Open Championship, which got under way Thursday on Turnberry's Ailsa links on the western coast of Scotland.

The early starters were battered by biting cold and blustering wind that gusted up to 40 mph (64 kph). "Humiliating," Greg Norman of Australia said coming off the course. "There are a lot of the best players in the world being humiliated out there."

The course has provided, at one time or another, perhaps the best weather in the history of this ancient event and possibly the worst in the history of golf.

The best, of course, was in 1977, when Tom Watson and Jack Nicklaus went head-to-head in an historic shootout.

The rough was sparse that year. The fairways were hard-baked as a result of a rare drought. There was no rain — and no wind.

Watson and Nicklaus took advantage of the lack of Scottish weather to stage the greatest two-man show in the game's history. Nicklaus shot final rounds of 65 and 66 and had a 72-hole score seven shots better than anyone had ever played this tournament before.

And he lost.

Watson had 65 in each of his final rounds and won with a 268 total.

The worst weather came four years earlier, in the John Player Classic.

In the second round that Friday, a severe storm struck with savage fury, complete with rain, sleet, cold and winds that eventually exceeded 100 mph.

Power lines were knocked down. Cases of bottled beer became airborne. The tented village was swept out to sea. More than a dozen people were injured.

Play was held up shortly after winds reached hurricane force.

"The worst I ever saw, anytime, anyplace," said Arnold Palmer.

"I feared for my life," said Tony Jacklin, who barely escaped being blown off a tee into the churning surf.

The weather for this year's British Open was forecast to be somewhere in between: certainly not as good as 1977 but, with any luck at all, not as bad as 1973.

Wednesday's final practice round was played in 40-mph winds, with chilly temperatures and an occasional shower. Thursday morning was no better, although conditions improved some as the day progressed.

"The winds made some of the final holes monstrous," defending champion Sandy Lyle of Scotland said after the final practice. "Under these conditions, par is about 78," he added, instead of the listed 70.

"That's good," said Seve Ballesteros of Spain, the pre-tournament favorite. "I shot 77."

The forecast called for "moderating winds and showers" on the afternoon of the opening round, but there is no such thing as a long-range forecast.

It depends on whether ye can see the Ailsa Craig.

SPORTS BRIEFS

U.S. Boxer Is Reinstated, Defeated

MOSCOW (AP) — The U.S. boxer Harvey Richards, who said he had lost his motivation to continue fighting in the Goodwill Games after being disqualified by a Soviet referee, was reinstated Thursday.

A four-member competition jury — a U.S. team manager and three Soviet officials — ruled the fight a no-decision. Their ruling was approved by the president of the International Amateur Boxing Association, but later in the semifinals Richards was stopped at 1:06 of the third round by Andrei Karavaev of the Soviet Union.

Referee Yuri Frolov had disqualified Richards, 22, a light-heavyweight, for a low blow during the second round of his quarterfinal bout Tuesday against Nils Hausgaard Madsen of Denmark.

Ruttiman Wins, Hinault Retains Lead

BLAGNAC, France (UPI) — Niki Ruttiman of Switzerland barreled ahead Thursday to win the 154-kilometer (95-mile) 14th stage of the Tour de France bicycle race, with La Vie Claire teammate Bernard Hinault of France retaining the overall lead.

Greg LeMond of the United States, another member of La Vie Claire, remained second overall but cut Hinault's lead to 34 seconds by winning a bonus sprint. Ruttiman, 24, a team climber, covered the mainly flat stage from Luchon to Blagnac in hot, humid weather at a speed of 40.57 kph, finishing in 3 hours 47 minutes 44 seconds.

Quotable

- Manager Whitey Herzog on his slumping St. Louis Cardinals: "We could use a couple of shutouts. But I'm not sure that would be good enough to win." *(LAT)*

Boyd to Be Charged by Police; Red Sox Extend Suspension

The Associated Press

BOSTON — The Boston Red Sox have continued indefinitely the suspension of pitcher Dennis (Oil Can) Boyd, and police announced that they plan to charge him with assault and battery on an officer.

General manager Lou Gorman said Wednesday that Boyd will remain suspended until "certain issues are clarified to the satisfaction of the Red Sox organization." He refused to discuss those issues.

Boyd and his roommate, shortstop Rey Quinones, were stopped by narcotics officers Tuesday night as they returned to their condominium in nearby Chelsea, The Boston Herald reported.

"He kept insisting he had a gun and he was going to shoot somebody," Detective Sergeant Jack Phillips said in an interview with Boston television station WNEV. He said a search uncovered neither gun nor drugs.

The police said they had been tipped off that Boyd might have drugs in his car. The Chelsea police chief, Charles H. Wilson, declined to give specifics of the incident, but said Boyd and police "had occasion to stop and talk, and as a result of what took place, a complaint is being pursued." Boyd also was to be charged with disorderly conduct.

The Red Sox had suspended Boyd without pay for three games last Friday, the day after he angrily left the clubhouse because he had been left off the American League team for the All-Star Game.

Reuters/UPI

Dennis Boyd

■ Howe May Quit Baseball

Steve Howe, who in six years went from the National League's rookie of the year to the lower minor leagues as he fought a recurring battle against cocaine addiction, said he may retire from baseball after failing to pass a drug test, The Associated Press reported from San Jose, California.

"I think I fought pretty good," the 28-year-old pitcher said Wednesday after his latest suspension. "But I think what I'm fighting may be too big." Howe, who had tested negative for cocaine eight times this season, denied renewed drug use.

A test administered Monday morning by the San Jose Bees of the Class A California League, for whom Howe had been pitching this season, came up positive. The league president, Joe Gagliardi, then suspended Howe, although a urinalysis taken Monday night by the Bees was negative.

■ Brewers Re-sign Thomas

The Milwaukee Brewers have announced that Gorman Thomas, their all-time home run leader, will rejoin the American League team for the rest of this season, The Associated Press reported from Milwaukee. Thomas, 35, was released June 25 by Seattle; he said that he had turned down offers from the Detroit Tigers and the Chicago White Sox in the hope he could play again for Milwaukee.

OREBOARD

Golf

und scores in the British Open tour- n the 6,957-yard, par 35-35—70 Ailsa Turnberry (a-denotes amateur):

nam	39-31—70
do	38-33—71
orsbrand	38-33—71
. Brand	35-36—71
ee	39-32—71
ey	38-34—72
dolph	38-34—72
Brooks	39-33—72
, Langer	37-35—72
mans	39-33—72
Cooper	38-34—72
ch	39-34—73
Masters	36-37—73
Somers	38-35—73
Turner	40-33—73
man	35-39—74
y	38-36—74
pman	38-36—74
mmond	35-39—74
n	38-36—74
[illegible]	39-35—74
[illegible]	39-36—75
ggerty	39-36—75
	39-36—75
es	41-34—75
man	39-36—75
iller	39-36—75
ller	41-34—75
Connor Jr.	40-35—75
ring	37-38—75
nes	38-37—75
ovainen	37-38—75
llan	38-37—75
ay	40-35—75
etley	39-36—75
ver	37-38—75
ham	40-35—75
re	41-35—76
a Contreras	41-35—76
ody	42-34—76
erg	38-38—76
blle	41-35—76
oe	41-35—76
n	39-37—76
lembridge	39-37—76
Darcy	41-35—76
mmond	39-37—76
ore	38-38—76
es	39-37—76
wart	38-38—76
sleros	38-38—76
rmour III	42-34—76
loylan	40-36—76
bson	39-38—77
nley	39-38—77
rfield	38-39—77
e	42-35—77
Kuramoto	39-38—77
Antonio Garrido	39-38—77
Tommy Horton	38-39—77
Ho Ming Chung	42-35—77
Mike Harwood	40-37—77
Edward Webber	39-38—77
Mark Mouland	40-37—77
Scott Verplank	38-39—77
Hubert Green	38-39—77
Tom Watson	39-38—77
Ben Crenshaw	39-38—77
Danny Edwards	41-36—77
Neil Hansen	43-34—77
Denis Watson	38-40—78
Philip Parkin	41-37—78
Ray Floyd	39-39—78
Manuel Pinero	39-39—78
Vicente Fernandez	40-38—78
Roger Maltbie	38-40—78
Fred Couples	40-38—78
Wayne Westner	40-38—78
Richard Boxall	42-36—78
Brian Marchbank	39-39—78
Jeff Hawkes	39-39—78
Adam Hunter	41-37—78
Andrew Chandler	41-37—78
Jose-Maria Olazabal	40-38—78
Jack Nicklaus	38-40—78
Scott Simpson	40-38—78
Tom Kite	40-38—78
Sam Torrance	42-36—78
David Frost	41-37—78
Sandy Lyle	42-36—78
Gary Weir	41-37—78
Denis Durnian	40-38—78
a-Mark Davis	41-37—78
Emmanuel Dussart	40-38—78
Michel Tapia	42-36—78
Curtis Strange	39-40—79
Martin Poxon	40-39—79
Simon Bishop	41-38—79
Eddie Polland	39-40—79
Malcolm Mackenzie	40-39—79
a-Andrew Cotton	42-37—79
Larry Mize	39-40—79
Paul Way	39-40—79
Graham Marsh	37-42—79
Gordon Brand Jr.	42-38—80
Des Smyth	38-42—80
Joey Sindelar	39-41—80
Mark O'Meara	42-38—80
Jeff Hall	43-37—80
Hsi Chuen Lu	39-41—80
Bill Rogers	41-39—80
Peter Fowler	40-40—80
Mark McNulty	43-37—80
Lee Trevino	40-40—80
Andrew Oldcorn	40-40—80
Terry Gale	42-39—81
Howard Clark	42-39—81
Hugh Baiocchi	41-40—81
Jose Rivero	40-41—81
Peter Senior	44-37—81
Glenn Ralph	41-40—81
David Williams	39-42—81
David Russell	40-41—81
Jerry Anderson	40-41—81
Rodger Davis	38-43—81
Corey Pavin	40-41—81
Ken Brown	40-41—81
Larry Nelson	42-39—81
David Feherty	43-38—81
Craig Stadler	43-39—82
Fulton Allem	40-42—82
David Llewellyn	41-41—82
John Bland	44-38—82
Andrew Murray	42-41—83
a-J.G.S. Robinson	42-41—83
Peter Allon	43-40—83
Michael Cahill	41-42—83
Bill Longmuir	42-41—83
Ray Stewart	42-43—85
a-Garth McGimpsey	43-42—85
Jaime Gonzalez	45-40—85
Robert Richardson	42-43—85
David Curry	42-43—85
Howard Francis	42-43—85
Paul Carrigill	44-39—85
Mark Wiltshire	48-37—85
Ian Baker-Finch	43-43—86
Adan Sowa	45-41—86
George Ritchie	44-43—87
Tony Johnstone	43-44—87
Seiichi Kanai	43-44—87
Guy McQuitty	46-49—95
Andrew Broadway	49-WD

Transition

BASEBALL
American League

NEW YORK—Activated Joe Niekro, pitcher, from the 15-day disabled list. Outrighted Alfonso Pulido, pitcher, to Columbus of the International League.

TEXAS—Signed Pat Gorman, third baseman, and assigned him to Sarasota, Gulf Coast League.

BASKETBALL
National Basketball Association

CLEVELAND—Named Dick Helm and Brian Winters assistant coaches.

DENVER—Signed Mark Alarie, forward.

GOLDEN STATE—Released free agents Greg Grissom, Joe Dawson, Luster Goodwin, Brad Wright, Bucky Chavez, Orlando Phillips, Steve Kenilvort and Darren Tillis.

PORTLAND—Cut Gary Williamson, forward, and Tony Hampton, Don Jones, Mark Owen and Randy Schiff, guards.

Cycling

Tour de France

MEN'S FOURTEENTH STAGE
(Luchon-Blagnac)
(95 Miles/154 Kilometers)

1. Niki Ruttiman, Switzerland, 3 hours 47 minutes 44 seconds.
2. Christophe Lavainne, France, at 32 seconds behind leader.
3. Twan Poels, Holland, same time
4. Paul Haghedooren, Belgium, at 33 secs. behind
5. Henrick Devos, Belgium, at 7:17
6. Marino Polini, Italy, s.t.
7. Eric Vanderaerden, Belgium, 8:02
8. Carlo Bomans, Belgium, s.t.
9. Jean-Philippe Van den Brande, Belgium, s.t.
10. Guido Bontempi, Italy, s.t.
11. Josef Lieckens, Belgium, s.t.
12. Mathieu Hermans, Belgium, s.t.
13. Peter Stevenhaagen, Holland, s.t.
14. Antonio Esparza, Spain, s.t.
15. Franck Hoste, Belgium, s.t.

MEN'S OVERALL STANDINGS

1. Bernard Hinault, France, at 61 hours, 43 minutes, 31 seconds.
2. Greg Lemond, U.S., at 34 seconds behind leader.
3. Urs Zimmermann, Switzerland, at 2:58
4. Robert Millar, Britain, at 3:32
5. Pedro Delgado, Spain, at 6:48
6. Andy Hampsten, U.S., at 8:26
7. Luis Herrera, Colombia, at 9:00
8. Niki Ruttiman, Switzerland, at 10:25
9. Steven Rooks, Holland, at 12:50
10. Claude Criquielion, Belgium, at 13:00
11. Peter Winnen, Holland, at 15:19
12. Bruno Cornillet, France, at 16:35
13. Ronan Pensec, France, at 17:12
14. Alvaro Pino, Spain, at 17:34
15. Charly Mottet, France, at 20:03
16. Yvan Madiot, France, at 20:47
17. Samuel Cabrera, Colombia, at 21:30
18. Pascal Simon, France, at 22:00
19. Thierry Claveyrolat, France, at 23:00
20. Jean-Rene Bernard, France, at 25:31
21. Edgar Corredor, Colombia, at 25:42
22. Patrocinnio Jimenez, Colombia, at 26:07
23. Eduardo Chozas, Spain, at 28:10
24. Alexei Grewal, U.S., at 29:10
25. Joop Zoetemelk, Holland, at 29:27
26. Marino Lejarreta, Spain, at 29:31
27. Reynaldo Montoya, Colombia, at 30:24
28. Steve Bauer, Canada, at 30:37
29. Jean-Francois Bernaudeau, France, at 30:55
30. Jesus Blanco, Colombia, at 32:09

Goodwill Games

(In Moscow)

BOXING
Semifinals
119 Pounds (54 Kilograms)

Alexander Artemyev, Soviet Union, def. Donald Price, U.S., 5-0; Khvicha Khdryan, Soviet Union, stopped Kim Chi Hen, North Korea, at 2:30 of second round.

125 Pounds

Mikhak Kazarian, Soviet Union, def. Frank Rausching, East Germany, 4-1; Samson Khachatrian, Soviet Union, stopped Jose Luis Hernandez, Venezuela, at 2:35 of second round.

132 Pounds

Romallis Ellis, U.S., def. Yuri Avochkin, Soviet Union, 4-1; Orzubek Nazarov, Soviet Union, def. Nerguin Enhbat, Mongolia, 4-1.

140 Pounds

Igor Ruzhnikov, Soviet Union, def. Rey Jones, United States, 4-1; Angel Pedroso, Venezuela, def. Erik Khakimov, Soviet Union, walkover.

156 Pounds

Israel Akopkokhian, Soviet Union, def. Mylon Watkins, U.S., 4-1; Viktor Egorov, Soviet Union, def. Michael Moorer, U.S., 3-2.

165 Pounds

Ruslan Taramov, Soviet Union, stopped Lorenzo Wright, U.S., at 2:10 of second round; Parker White, U.S., def. Andrei Akulev, Soviet Union, 5-0.

179 Pounds

Nurmagomed Shanovazov, Soviet Union, def. Michael Simon, U.S., 5-0; Andrei Kuravayev, Soviet Union, def. Harvey Richards, U.S., 1:06 of 3d round.

201 Pounds

Alexander Miroshnichenko, Soviet Union, def. Ali Ahmed Al-Baluchi, Kuwait, 5-0; Vyacheslav Zakovlev, Soviet Union, def. Henry Gilbert Pierce, U.S., 5-0.

JUDO
198 Pounds
Quarterfinals

Vitaly Pesnyak, Soviet Union, def. Pak Chon Chkhol, North Korea, 3-0; Francois Fournier, France, def. Roland Borowski, East Germany, 1-0; Hiroshi Goda, Japan, def. Wagner Castropil, Brazil, 7-0; Alexander Sivtsev, Soviet Union, def. Dovaoraiai Roudangiin, Mongolia, 10-0.

Semifinals

Vitaly Pesnyak, Soviet Union, def. Francois Fournier, France, 1-0; Alexander Sivtsev, Soviet Union, def. Hiroshi Goda, Japan, 5-0.

Final

Sivtsev def. Pesnyak.

209 Pounds
Quarterfinals

Gilles Jaladon, France, def. Jiri Sosna, Czechoslovakia, 10-0; Viktor Poddubny, Soviet Union, def. Douglas Vieira, Brazil, 10-0; Yevgeny Pechurov, Soviet Union, def. Andreas Preschel, East Germany, 3-0; Baldzhinniam Odvoin, Mongolia, def. Dietmer Geyer, West Germany, 7-0.

Semifinals

Viktor Poddubny, Soviet Union, def. Gilles Jaladon, France, 10-0; Baldzhinniam Odvoin, Mongolia, def. Yevgeny Pechurov, Soviet Union, 1-0.

Final

Viktor Poddubny, Soviet Union, def. Baldzhinniam Odvoin, Mongolia, (score unavailable).

Over 209 Pounds
Quarterfinals

Che Hell Khuan, North Korea, def. Anthony Gordon, Britain, 1-0; Grigory Verichev, Soviet Union, def. Henry Stohr, East Germany, 10-0; Steven Cohen, U.S., def. Joachim Piatte, West Germany, 5-0; Andrzej Basik, Poland, def. Alexander Tarasov, Soviet Union, 10-0.

Semifinals

Grigory Verichev, Soviet Union, def. Che Hell Khuan, North Korea, 10-0; Steven Cohen, U.S., def. Andrzej Basik, Poland, 5-0.

Final

Grigory Verichev, Soviet Union, def. Steven Cohen, U.S., 10-0.

TENNIS
Men's Doubles Final

Sergei Leonyuk and Alexander Zverev, Soviet Union, def. Marian Vajda and Karel Novacek, Czechoslovakia, 6-7, 6-4, 2-6, 6-3, 6-4.

HANDBALL
Men

Soviet Union 22, Iceland 20
United States 21, Poland 20
Soviet Union 18, Czechoslovakia 17

Women

West Germany 19, Japan 15
Hungary 25, Denmark 18
Soviet Union 23, United States 16

Tennis

Pro Leaders

MEN
Earnings

1. Ivan Lendl, $672,675. 2. Joakim Nystrom, $429,389. 3. Boris Becker, $413,952. 4. Mats Wilander, $363,255. 5. Anders Jarryd, $345,451. 6. Yannick Noah, $258,660. 7. Stefan Edberg, $222,341. 8. Henri Leconte, $196,198. 9. Guy Forget, $192,490. 10. Thierry Tulasne, $185,973.

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1735
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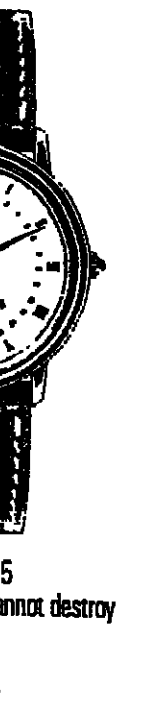

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OBSERVER

Don Johnson? No Sweat

By Russell Baker

NEW YORK — My daughter, who loves me, wanted me to dress like an actor named Don Johnson, who plays a policeman in the television show "Miami Vice," which I saw once. There was a great deal of gunplay. It reminded me of a Randolph Scott movie I saw in 1938 in which maybe 30 armed horsemen trapped Scott in a narrow canyon and emptied dozens of pistols and rifles in his direction without effect until their leader said, "No use wasting any more lead on him, boys," and everybody galloped off leaving Scott unshot.

Same thing when I saw the "Miami Vice" policemen vainly pumping thousands of bullets toward G. Gordon Liddy, who was making a getaway aboard a neat-looking powerboat. Silly, I thought. G. Gordon Liddy, in case you were born yesterday, was one of the first people to get caught in the Watergate affair. Much as I admire him, getting away unscathed is not one of his talents.

□

So when my daughter, out of love, brought me this Don Johnson police suit, I had to exercise terrific self-control so as not to say, "These are silly clothes fit only for a show so silly that the cops can't even catch poor old Gordon Liddy."

"Gosh, I've always wanted a Don Johnson 'Miami Vice' police suit," was what I said, slipping into the white jacket.

Did I mention the outside temperature at this point? It was 98 degrees (36 degrees centigrade) and the humidity was 165 percent, just like Miami. As we were inside, it was hotter and stickier than outside because my son, the one who lives at home to look after his parents — as Ralph Bellamy doubtless would have done if he'd been our child — believes air-conditioning causes terminal lumbago, croup, quinsy and onsets of blindness such as finished off Bette Davis in "Dark Victory."

I put on the white jacket. Wrongly. "Wearing an oxford-weave shirt with a button-down collar and a British regimental necktie may get you past the security guards at Brooks Brothers," my daughter said, "but wearing them under a white Don Johnson 'Miami Vice' police-suit jacket is simply not done."

What is done is incredibly expensive: First, you remove necktie and shirt with collar. (I did so, noticing as usual that the collar was sweat-drenched, due to the Miami-type environment.) Then you put on sort of an undershirt with no collar, so that the blotting duties formerly performed by the button-down collar can be assumed by the white collar of the Don Johnson police suit.

□

After I got it right, my daughter remained unhappy. "Somehow you still don't look like Don Johnson," she said.

Big deal. Don Johnson doesn't look like Randolph Scott, either. Don Johnson probably doesn't even know who Randolph Scott is. Don Johnson couldn't help being a kid, I couldn't help looking stooped and perilously close to the Bette Davis "Dark Victory" syndrome despite wearing a Don Johnson suit.

"That's not the problem," said my loving daughter. The problem was that dark, spreading stain ruining the collar of that once magnificently white jacket. "You must stop perspiring at once," she suggested.

I told her even actors perspired in tropical heat and humidity such as one encounters in the drug-infested Miami swamps and my parlor, and cited the fantastic perspiring done by Edward G. Robinson in "Key Largo."

Not Don Johnson, she insisted. Even when its wearer was squeezing off 30 rounds per second in fetid, mosquito-plagued swamps, Don Johnson's white jacket collar, though nestled charmingly against bare sweat glands, never showed the faintest trace of dampness.

The poor child didn't know that the Miami Police Department, being acutely image-conscious, provides each of its cops with a valet always at the ready with a van full of fresh white jackets during the most harrowing gun battles.

"Maybe if you let your whiskers grow," she said. "Don Johnson wouldn't dream of wearing his white jacket with a shaved face."

Sweet child. How could I tell her that Don is so busy day and night changing into dry white jackets that he doesn't have strength left to lift his razor?

New York Times Service

A Repairer of Historic Catastrophes

The Fine Greek Hand and Architectural Ministrations of John Barianos

By Barbara Gamarekian
New York Times Service

WASHINGTON — It is a rare historic edifice in the U. S. capital that has undergone restoration in recent years and not benefited from the fine hand and ministrations of John Barianos.

The National Building Museum, the Capitol, the Treasury Department, the White House, the Willard Hotel, the National Theater, the Hay Adams Hotel, the Old Post Office, the National Cathedral — all have felt his artisan's touch.

Barianos is a master craftsman from Greece who for 20 years has helped restore this city's architectural heritage. He uses his expertise in sculpture and painting to refurbish and recreate designs that were handcrafted centuries ago, freshening frescoes and friezes with gold leaf, reconstructing coffered ceilings, mosaic floors, scagliola columns and ornate plaster work. Of more modern vintage, he has made artificial trees for the birdhouse at the National Zoo.

A burly, white-haired man from the island of Rhodes, he is the fourth generation of his family to work in art forms and techniques that have been passed down from one generation to another and are almost considered a lost art.

"My work is to bring back the beauty, to use the same techniques and designs," Barianos said in the office of one of his studios in Rockville, Maryland, a tiny room crammed with hundreds of moldings, cornices, columns, statues, plaster murals and busts and piled high with books bearing such titles as "Minoan & Mycenaean Art" and "Roman Art & Architecture."

Barianos arrived here in 1967 at 32 years of age, with his wife, Helen, and their two children, Vasilios, 9, and Theodosia, 4. "My dream was to come to America," he said in heavily accented English. "In Greece almost every family has someone in America, it is like a second home for every Greek."

He came to Washington, he said, because he considered it a place of monumental and historic buildings. He has never been at a loss for work; one commission has led to another, and he now has more than 30,000 square feet of studio space where his prototypes and molds and castings are made.

When Barianos is asked to make a restoration study, as he was recently in connection with restoration of the city's Beaux Arts Union Station, he makes a diagnosis of all the decorative features that have been destroyed or are broken and cracked and crumbling.

In the case of the 1901 Willard Hotel, an opulent Washington landmark that had stood vacant for 20 years and has now been returned to its former glory, cornices and moldings were missing, interior walls and wood finish were warped and rotten, decorative surfaces cracked and chipped, and the magnificent marble-like columns with their Corinthian, Ionic and Doric capitals were decayed.

"It was a complete catastrophe," declared Barianos, who has just completed the 18-month task of authentically reproducing much of the decorative work. "And now it is a big difference, no?" he asked with a triumphant smile.

"What I do," he continued, "is to work from the evidence I find — to make replicas of the existing designs or create new designs."

For the mosaic floors in the Willard's main lobby, he traveled to Siena and Carrara in Italy to find stones to match the original marble. For the steel and plaster columns, he covered them with the imitation marble known as scagliola, applying layers of plaster impregnated with color and other effects by virtue of a Barianos family secret formula that employs, among other ingredients, silk threads to imitate veining.

There are many secrets in this type of business, he explained, saying: "In the old time, each family would keep their own secrets. I leave all my secrets to my son."

Paul Childs of Harry Weese & Associates, one of the architectural firms working on the restoration of Union Station, says that Barianos, unlike many restoration contractors, is knowledgeable in a full spectrum of restoration work.

"He has a great deal of knowledge about the sophisticated areas of restoration that we were running into at Union Station," Childs said, "knowing how to make scagliola, being capable of molding plaster, knowing how old forms of plaster were made, gold leafing and stencil work."

As a result of the demands of the Willard restoration, the Barianoses did not make their annual visit to Greece this year. And there was little time, as well, said Barianos, for his hobby of flying soaring planes (he won an international competition in 1957 for keeping his craft aloft for more than two hours).

Although he brings technicians from Italy and Greece to assist on such major jobs as the Willard, for the most part the Barianos studio adheres to the old world tradition of a "mom and pop" cottage industry with all four members of the Barianos family pitching in.

His wife produces molds and cast pieces as well as doing much of the gold leafing; his daughter translates the specifications of the job into English; his son, now 27, runs the company; and Irene Anthou, his son's fiancée, joins them in the studio each day.

Although they come from a part of the world where history and antiquity is measured in millennia rather than centuries, Barianos says of his work here: "These buildings represent the beauty of the old. I bring my eyes and my experience from Greece and I feel I create history and I feel proud."

Marty Katz/The New York Times

John Barianos in his studio: "I feel I create history and I feel proud."

PEOPLE

Dogs Outbite Peopl

Dogs are still No. 1 when it comes to biting people in New York, but people are No. 2. The Health Department's annual survey reported that dogs bit humans 9,809 times during 1985, while humans bit each other 1,591 times. That, at least, is how many bites were serious enough for doctors to report them to the city, said Martin McGinley, a spokesman. The report said that while dogs inflicted more reported bites than any other animal last year, the total still was down 8 percent from 1984. Human bites were down only slightly, however, from a 1984 total of 1,593. Cats were third (879 bites), followed by wild rats (311), squirrels (75) and hamsters (57).

□

A British balloonist says he hopes to go around the world in 18 days next year in the first manned balloon flight to circle the globe. "It's the ultimate trip," said **Julian Nott**, who on Wednesday announced his plan to make a nonstop, 25,000-mile trip through the jet stream while riding in a domed, pressurized gondola suspended from a pumpkin-shaped helium balloon. Nott will have the benefit of compact computers, stronger-than-steel fabrics and a satellite link for transmitting television pictures. One detail remains unsettled — the second crew member. Nott said he was looking for a navigator with photographic skills and "an adventuring background." Riding in the fast-moving but relatively tranquil jet stream, the balloon should complete its trip in no more than 20 days and no fewer than 14, he said.

□

City regulations in Lakeside Park, Kentucky, prohibit detached structures next to a house, and that means no storage sheds, no dog houses — and no tree houses. So 13-year-old **Jeffrey Kisor** will have to dismantle his tree house and his parents, who fought City Hall over the law for seven months, are ready to give up their home. "I imagine we'll put our house on the market real soon," his father, **Red Kisor**, said. "We'll find a place in northern Kentucky that doesn't have all these restrictions." The law was aimed at tool and storage sheds, but city officials interpreted it as also including dog houses, detached garages, gazebos and children's tree houses, said **Schutte**, the city zoning
trator.

□

The municipal theater
chum, West Germany, sa
hired a convicted former
of a leftist terrorist gang a
duction assistant. The th
the industrial Ruhr city an
its move as the manhunt co
for the terrorists who ki
West German industriali
Heinz Beckurts last week
ned. **Christof Wackernage**
mer member of the extre
Army Faction, which cla
sponsibility for Beckurts'
will start his new job this
theater said in a statemen
ernagel had acted in movie
he joined the Red Army Fa
the mid-1970s. He was sent
1980 to 15 years in prison
ing a policeman in Amste
1977, but broke with terr
interviews and letters to
pers two years ago. He is se
sentence in a prison near
but is allowed to work
obliged only to return to th
at night.

□

Princess Diana and he
sister-in-law **Sarah Fe**
dressed up as policewo
dropped into a London n
the British news agency Pr
ciation said Thursday, qu
unidentified "close friend"
women. The two young wo
two other girlfriends walk
Annabel's, a top West En
club, in the early hours We
after shelving a plan to g
the stag party of **Prince**
the reports said. The pri
Ferguson are to marry July

□

Two postcards signed by
members of the **Beatles** po
in the early 1960s fetched
lion escudos (about $24,0
Lisbon auction. They we
Wednesday to a Lisbon b
man, **Pedro da Costa**, who
hoped to resell them at a p
specialists in pop memora
directly to **Yoko Ono**, w
John Lennon. **Maria Paula**
Mira, who owned the car
they had been given to he
English aunt who once m
Beatles while working at a
radio station.

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